TRANSFORMATION: CHANGING ‘HOW WE DO’ NOT ‘WHAT WE DO’

Technology has created both opportunity and disruption across all industries. Deliveroo and Just Eat have made ‘eating in’ the new ‘dining out’. AirBnB is blamed for driving up property prices and changing the make up of entire neighbourhoods from Amsterdam to New York. The late night black cab/taxi market around the world has changed drastically at the hands of Uber. Services like Urban Massage, Chemist4U and mapmyfitness are changing consumer behaviour and significantly disrupting legacy businesses in the process. Change is no longer a constant, transformation is. Despite the transformation, the human needs being served remain unchanged. Consumers are simply trying to eat, sleep and travel. The questions at the heart of marketing tasks also remain the same. Marketers are still asking themselves the same questions: Is consumer demand for my brand increasing (or being sustained) in a way that meets my strategic objectives? Are my marketing campaigns engaging consumers and building demand efficiently and effectively? Is consumer behavior being activated at the point of purchase?

So an important starting point is to recognise that transformation is affecting how we do things but not what we do.

A PERFECT STORM IS TRANSFORMING THE RESEARCH INDUSTRY

Like every other industry, the research industry is in the midst of its own transformation. Changes in consumer behaviour, increased business pressures and new technologies have created a perfect storm.

Marketing and insights teams at most organizations are grappling with the challenges outlined in the table below.

<table>
<thead>
<tr>
<th>FACTOR</th>
<th>CHANGE</th>
<th>TRANSFORMATION NEEDED FROM RESEARCH INDUSTRY</th>
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</table>
| Technology | Mobile use is superseding desktop many markets.  
Mobile use is superseding desktop many markets.  
Proliferation of device ownership layered onto media channel proliferation.                                                                 | Rapid adoption of short sharp mobile or device agnostic surveys.  
New (reliable) methods to measure and isolate advertising exposure across digital devices.                  |
| Business | Digitisation provides a high volume of data  
The maturity of digital as an ad medium has overtaken TV as the number one media channel in many countries.  
New tech enabled entrants, aggregators and intermediaries blur and change traditional category boundaries/definitions.  
An increased focus on customer and brand experience as a driver of growth.  
A post-recession era of long-term low growth and zero based budgeting.  
Constant business pressure-business transformation cycles.                                                                 | Embrace connected data intelligence - identify what matters, understand links between data and use existing data assets instead of survey data where possible.  
More sensitive methods to pick up impact of ‘always-on’ digital plans.  
New ways to understand consumer attitudes beyond constraints of traditional competitor sets in surveys.  
Ability to measure in-the-moment experience.  
Increased automation to create low-price research options.  
Dramatically reduce project turnaround times.                                                                                  |
| Consumers | Increasing complexity of choice facing consumers.  
Ability to create and share content and experiences                                                                                                                                          | Heightened need to understand system 1 responses through scalable neuroscience techniques.  
Move away from survey based mentality and harvest insight from rich pools of existing information.          |
The truth is that many of these themes haven’t changed much over the last few years; they have simply become more pressing.

**PRINCIPLES FOR REVOLUTIONISING ‘HOW WE DO’ RESEARCH**

The challenges facing marketers today accentuate the need for a longitudinal always-on approach. This in itself is not a new need, or a new model. Kantar Millward Brown has long promoted the use of continuous tracking programmes. In fact, we like to take credit for the world’s first brand tracking study in 1976. The revolution is about how advancement in digital and technological capabilities enables this longitudinal model to be delivered.

Today, some metrics previously provided by survey research can be gleaned from data assets that are generated on an ongoing basis, independent of any research process. In addition, technology has enabled globally scalable neuroscience, end-to-end automation, and the ability to crunch large multiple data sources like never before.

Kantar Millward Brown have developed four principles that underscore our ambition for ‘how we do’ research now.

- **Connect**: Use sophisticated analytics to holistically link feel (neuroscience), say (survey), and do (sales/digital behaviour) measures to identify category relationships and predictors of growth.

- **Predict**: Continuously track lead indicators in real time through a mix of digital signals supplemented by ongoing micro surveys. Use a hot alerts system to anticipate threats & opportunities.

- **Drive Action**: Create automated quick turn research tools offering 48 hour turn-around times that allow businesses to make rapid data guided decisions in response to hot alerts.. These can be supplemented with flexible servicing arrangements and bite size deliverables.

- **Continuous Experimentation**: Test new technologies, specifically to ‘digitise’ tracking by making it more sensitive to always-on digital spend.

These principles can be applied to any form of longitudinal research but Kantar Millward Brown are applying this to our core expertise in brand and communications tracking.
TRANSFORMING AND DIGITISING BRAND & COMMUNICATIONS TRACKING

We all know that transformation doesn’t happen overnight, it is a continual evolution of changes that have been coming and that will continue to come. The table below shows how Kantar Millward Brown sees the evolution of brand and communications tracking.

<table>
<thead>
<tr>
<th></th>
<th>IN THE PAST</th>
<th>NOW</th>
<th>SOON</th>
</tr>
</thead>
<tbody>
<tr>
<td>Survey Length</td>
<td>Long surveys in excess of 30 minutes</td>
<td>Short 15 minute surveys</td>
<td>Micro pulse surveys of 5 minutes</td>
</tr>
<tr>
<td>KPI Coverage</td>
<td>Long batteries of measures</td>
<td>Fewer measures that matter most</td>
<td>A handful of lead indicators of sales, premium &amp; long term share</td>
</tr>
<tr>
<td>Digital Signals</td>
<td>Treated as a separate data source &amp; collected at absolute level</td>
<td>An integrated source with applied modelling that acts as a real-time measure of campaign efficiency</td>
<td>The core spine of tracking, supplemented by micro surveys, to provide lead indicators of business performance</td>
</tr>
<tr>
<td>Neuroscience</td>
<td>Expensive ad-hoc studies</td>
<td>Globally available at scalable prices; often included in tracking</td>
<td>Holistic integration in all tracking to ensure System 1 understanding</td>
</tr>
<tr>
<td>Bolt on Modules</td>
<td>Pre-planned integrated modules to understand why.</td>
<td>Separate add-on modules to understand why.</td>
<td>Automated quick turn modules to diagnose lead indicator movement. Timeframe: 24-48 hours.</td>
</tr>
<tr>
<td>Media Treatment</td>
<td>Always-on claimed media awareness with monthly ad diagnostic modules</td>
<td>Always-on claimed media awareness with 48 hour ad-diagnostic modules</td>
<td>Addition of actual digital ad exposure through cookie tracking</td>
</tr>
<tr>
<td>Up Front Category</td>
<td>No category deep dive before setting up tracking study</td>
<td>Survey based category deep dive before setting up tracking study</td>
<td>Fully holistic category deep dive covering survey, neuro, sales and behaviour data</td>
</tr>
<tr>
<td>Understanding</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Role of Analytics</td>
<td>None</td>
<td>Some analytics to explain survey relationships</td>
<td>Forward looking predictive modelling of survey and non-survey data</td>
</tr>
<tr>
<td>Balance of</td>
<td>100% on tracking; none on category understanding analytics</td>
<td>80% on tracking; 20% on survey based category understanding analytics</td>
<td>60% on tracking; 40% on survey &amp; non-survey category analytics</td>
</tr>
<tr>
<td>Investment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Methodology</td>
<td>CAWI</td>
<td>Device Agnostic (designed with laptop in mind)</td>
<td>Device Agnostic (Mobile first design)</td>
</tr>
<tr>
<td>Question Design</td>
<td>Complex questions, a hangover from F2F interviewing days</td>
<td>Simplified questions tailored for laptop</td>
<td>Gamified questions tailored for mobile</td>
</tr>
<tr>
<td>Mindset</td>
<td>‘Just in case’ mentality</td>
<td>‘Reactive’ mentality</td>
<td>‘Proactive’ mentality</td>
</tr>
</tbody>
</table>

THE JOURNEY STARTS WITH DIGITAL SIGNALS AT THE CORE OF TRACKING

The transformation of tracking is based on using search and social data as a signal of brand health and an indicator of campaign performance. It sounds simple but we quickly learned that data signals in their raw form are meaningless. The way to derive meaning from search and social data is the application of dynamic linear modelling. This allows us to breakdown the data into long-term underlying signals of brand health versus short-term variances that might be caused by seasonal influences, reaction to events and response to campaign spend.
Once modelled, we have found that the digital signals act as good measures of mental availability, whether the brand quickly comes to mind in a purchasing situation. Mental availability grows brands through one of two ways. The first is simply by making the brand more famous. If brands are increasing their fame, we expect to see them being talked about more often. This is represented by social data. The second way a brand can grow mental availability is by increasing their relevance to more category purchase situations. We then expect to see those brands being searched for more often and in relation to more things.

**We would expect different behaviours to be indicators of different types of change**

![Brain diagram](image1)

= [Social data increase](image2)

= [Search relevance increase](image3)

Source: Kantar Millward Brown

**We see the effects of advertising reflected in both of these digital behavior measures**

![Graph](image4)

Source: Kantar Millward Brown
Kantar Millward Brown has invested significantly in research and development of our digital signal approach. We have also worked on over 100 client projects globally over the last 12 months.

There are many advantages to using existing search and social signals as a core component of tracking. It is a cost effective way of providing an ‘always-on’ understanding of brand and campaign performance that is far more sensitive to digital spend than traditional approaches. It provides a weekly efficiency score that allows businesses to optimise their total communications plans in real time.

We have seen that these techniques work with almost all categories be it auto or airlines, soft-drinks or shampoo, retail or telecoms. There may be some very-low interest categories, predominantly offline, where volumes of social mentions make this technique challenging but it is rare and when it does occur we usually find that search signals are still viable and relevant to track. We must also bear in mind that this problem may be exacerbated in some countries where internet usage is still developing?

**CASE STUDY 1: PROVING THE IMPACT OF A NEW CREATIVE STYLE**

Warburtons, a UK bakery brand worked with Kantar Millward Brown using digital signals to confirm that a new creative style in their campaigns was working as intended.

Warburton’s had successfully used a long running campaign called ‘Dear Jonathan’ for over two years. In 2015 they decided to launch two new and wackier campaigns, that were a dramatic change in creative direction - ‘The Deliverers’ featuring Sylvester Stallone as a bread delivery man, and ‘Giant Crumpet Show’ featuring the Muppets. Both leveraged humour, recognisable characters and well-known music, and were designed to be breakthrough communications that brought excitement to the bakery category.

Using digital signals, we were able to establish that the first ad in the new campaign had a strong impact on social mentions indicating that the brand was growing fame as desired. It was 2.5 times more efficient at generating social buzz compared to 2014 averages, and 5 times more efficient compared to 2013. There was little impact on search – but this was anticipated - the first execution in the campaign was a brand building ad.

However, the second ad was for a new product launch. The question was now whether this blockbuster creative style could get across a new product message or whether the product message would get lost in the drama. Digital signals proved that the new campaign did very well on search. This showed it had
grown relevant interest in the brand as a result of the new product message. Interestingly, it also excelled on generating fame, outperforming the first ad in the new campaign.

These digital measures, which can be accessed weekly, provided a quick way to indicate if the overall campaign was working well. To understand more about the performance of the ads we went on to conduct a quick turn creative assessment. This allowed us to diagnose the executional performance which demonstrated that the TV ad was top scoring in every respect. A few weeks later the impact of the campaign was seen on brand tracking and sales measures.

CASE STUDY 2: UNDERSTANDING THE IMPACT BEYOND TV

Digital signals are being used to explore the impact of a campaign’s creative beyond TV. Kantar Millward Brown worked with a beverage brand in the UK, who used digital indicators to measure the quality and efficiency of their media mix – and make creative optimisation decisions based on the whole mix, not just TV.

The brand was launching a line extension of a well established brand. The client’s agency had created the latest iteration of their well-loved TV campaign to launch the new variants. The TV ad scored extremely well in pre-testing, both in engagement and impact, and also in more rational metrics like persuasion, which are key for ads with new product news. However, when the campaign went on air in 2014, the impact of the campaign in terms of driving either fame or relevant interest was mediocre. Knowing the TV ad was strong, the client reviewed the other media they were spending on around the same time. It became obvious that whilst the rest of the creative featured the new product, it lacked the humour and likeability of the TV ad, and potentially tried to cover too many messages.

The campaign was re-aired in 2015 with the exact same TV creative, but with revamped digital and outdoor executions replacing print. The new creatives featured only one variant and included a stronger call to action offering a free sample for the new product. The new mix had a stronger impact, and in terms of efficiency at driving brand conversation and search activity, it was substantially higher. The new mix of media was much more successful at both engaging people and driving interest in the brand – and by deep diving into what people said and searched for it was clear that this wasn’t just direct click through or conversation around the ad.
Receiving quick feedback between bursts of the same campaign allows clients to make decisions and swap out underperforming executions meaning future media spend is not wasted on ineffective creative.

BRINGING IT ALL TOGETHER INTO A PREDICTIVE BRAND GUIDANCE SYSTEM

Taking some of the earlier principles and technological developments into consideration, we know brand tracking must become a brand guidance system that alerts a business to upcoming threats and opportunities and allows it to make rapid data guided course corrections that maximise key business success measures. Conceptually it will look something like the illustrative model below.

Brand Guidance Systems – Example Programme

Source: Kantar Millward Brown
1) AN HOLISTIC ANALYTICS BASED DEEP DIVE: CONNECTING FEEL, SAY AND DO MEASURES

The most important current need for marketers is to create a forward looking guidance system. However, a mind set change is needed to effectively look forward. It is critical to prioritise and invest in exploratory work before you start tracking. Improved analytics capabilities allow us to identify measures that not only correlate with sales but actually predict them. Rather than focusing solely on surveys, we can now take a genuinely holistic viewpoint that covers what consumers say, feel and do.

Say (survey) measures could come from a brand equity deep dive that Kantar Millward Brown conducts using our proven frameworks of brand growth. Equally it could utilise existing tracking data as a way of ensuring that learnings from the old tracking study are baked into the new approach.

Feel (neuroscience) measures help get beneath considered survey responses and provide an insight into the intuitive gut feelings that determine many of consumers’ decisions in life. These are simple non-survey based techniques that help a business understand whether consumers are emotionally primed towards their brands or uncover the implicit and intuitive associations that most readily come to mind about a brand.

Do (behaviours) measures cover a range of different behaviours such as searching about a brand, talking about a brand or purchasing a brand?

Say, feel and do measures can be obtained either quantitatively or qualitatively dependent on the need. Brands should look to get a perspective on both the customer experience and perceptions of a wider brand target. The data itself can be pre-existing or new research if there are current knowledge gaps; analytics can be used to connect new data with pre-existing data.

The outcome of the upfront deep dive work should be a clear understanding of how consumer feelings, opinions and behaviours interact. This will lead to the identification of a few key predictors of important commercial outcomes such as sales, price/value perceptions and market share changes.

2) TRACK LEAD INDICATORS IN REAL TIME USING A MIX OF DIGITAL SIGNALS AND A MICRO SURVEY

After the analytics deep dive, a tracking system can be set up to measure the identified predictors of growth. This would include digital behaviour signals at its core, assuming they link to sales. We recommend that this is supplemented with a micro survey to capture other responsive and fast-moving, survey-based lead indicators. Both streams of data get pumped into an automated dashboard which is updated weekly and is available on marketers’ desktops, and in time will be available on their mobile phones.

The dashboards can be basic standardised models (as pictured below) or custom built designs aligned to the specific needs of a business.
A key part of tracking is a hot alert system that warns a business when key commercial outcomes such as sales or value perceptions are at risk. It can outline the same for competitors allowing a business to identify tactical opportunities to respond.

Varying levels of sophistication can be applied to a hot alert system. At a basic level, the system would highlight any significant movements up or down in key lead indicators. A more sophisticated system could identify the impact of changes in combinations of factors. For example there may be a threshold gap in value perceptions between two brands that could be an indicator of an impending short-term market share change. An alert system could identify when the gap reaches the threshold level so that an informed business action could be taken.

3) RESPOND TO THREAT AND OPPORTUNITY ALERTS WITH AUTOMATED QUICK TURN TOOLS THAT FACILITATE RAPID DATA GUIDED COURSE CORRECTIONS

Given the focused nature of a micro tracker study, it’s likely more data will be needed to guide and inform decisions once an alert is triggered. In some cases it may be pre-existing data like purchase panel, retail sales or any other continuous data streams that clients may subscribe to. In other cases some quick bespoke research may need to be commissioned to uncover the cause of the threat or opportunity.

Our clients have the flexibility to choose different tiers of servicing. Clients can receive alerts and decide how to respond independently or for a more advanced level of service, set a pre-determined budget for proactive and reactive consultancy.

If a reactionary consultancy budget is set, any hot alert could be set up to be delivered to an agreed group of key decision makers in marketing, insights and at Kantar Millward Brown. The alert would be the trigger for a quick action planning call. The call can be used to identify the information needed by the business to react tactically to the situation. In some cases clients may wish to commission quick-turnaround automated diagnostic modules, add 1 or 2 questions to an express omnibus study or commission a quick turn qualitative deep dive. The key point is to get as much of the right information in as short a time possible. In most cases it will be feasible to have results within 48 hours so that clients can take a data guided business decision in order to influence the predicted outcome of the hot alert.
Below is an example of the type of hot alerts that could be raised, the type of supplementary data that could be used to better inform the decision and the way in which a business could choose to react.

<table>
<thead>
<tr>
<th>HOT ALERT</th>
<th>IN THE PAST</th>
<th>NOW</th>
<th>SOON</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘Search’ data for a competitor shows short-term spike.</td>
<td>Is a competitor’s recently launched new campaign driving increase?</td>
<td>Your site visits are showing a dip. Buzz for competitor is only indicatively up but sentiment is much more positive. Strong ad scores for competitor including very strong persuasion to ‘find out more’.</td>
<td>Divest budget from brand campaign into tactical paid search &amp; SEO to hijack interest in the competitor’s brand.</td>
</tr>
<tr>
<td>Competitor softening in ‘value perceptions’ vs small increase for your brand.</td>
<td>Are competitor’s recent price increases having a negative impact?</td>
<td>Your retail scan data is not yet available but off-record conversations with key retailers suggest hypothesis is true.</td>
<td>Postpone previously planned price increases for one month to review the situation.</td>
</tr>
<tr>
<td>Your brand has massive short-term uplift in social mentions.</td>
<td>Is a negative PR story about your manufacturing process to blame, or is it a response to a new campaign?</td>
<td>Digital signal model shows effect is not campaign driven. Buzz data confirms negative PR story is the cause but also identifies key opinion leaders (KOLs) and journalists at the centre of the story.</td>
<td>Pull current campaign for two weeks; launch a PR campaign to engage KOL’s and journalists.</td>
</tr>
<tr>
<td>‘Search’ data shows third consecutive month of decline in underlying long-term base.</td>
<td>Is this a long-term threat or a short-term blip?</td>
<td>Quick turn brand equity dip commissioned shows key brand measures have softened, particularly saliency and associations with ‘having a good time with friends’.</td>
<td>Re-air a previous ad proven to drive ‘good time with friends’. Begin campaign development on new ad tailored to focus on social consumption moments.</td>
</tr>
<tr>
<td>Small, newly launched competitor overtakes established brands on social mentions.</td>
<td>Although market share is still small, could the new competitor pose a future risk?</td>
<td>Quick qual and quant deep dive to understand new competitor shows new competitor over-indexes on consideration among client core youth target.</td>
<td>Media plan adjusted and upweighted for ‘youth’ target. Longer-term war gaming session kicked off.</td>
</tr>
</tbody>
</table>

A budget for proactive consultancy could be put towards a planned learning programme of supplementary work decided at the beginning of the year. For example, a critical campaign could be measured using a Cross Media study to evaluate individual channel ROI or a business may wish to ring-fence some money to deep dive into an experimental digital campaign. Although tracking of the future will be forward looking, it will still be important to capture and summarise learnings. To this end, businesses may want to set aside resource for learnings review workshops. Reviews like this can still yield valuable insights and drive strategic changes outside of the day to day tactical decisions.

Finally, there may also be a need for regular monthly updates. In this respect, the research industry has much to learn from the way people consume and share information in a digital age. Instead of huge PowerPoint and Excel reports, it would be nice to think that deliverables could be fashioned in bite-sized forms like tweets and vines that can be quickly digested and disseminated within a business.
4) ‘DIGITISE’ TRACKING AND MAKE IT MORE SENSITIVE TO ‘ALWAYS ON’ DIGITAL SPENDING PLANS

Kantar Millward Brown is doing a significant amount of experimentation to digitise tracking. Simplistically speaking this can be done by getting permission from panellists to track ads they are exposed or not exposed to. It requires close partnership with brands and their media teams to tag all digital activity that a brand does across a year. This approach maximises the value of survey based tracking samples by enabling us to group consumers in tracking based on their exposure to digital activity.

For a brand, this approach will give a business the ability to understand if overall digital spends are impacting lead indicators. So for example, we can assess if over time digitally exposed respondents are consistently more favourable towards a brand. We may also be able to identify consumer groups that are most responsive to digital spend. A business will be able to establish digital reach in a real and natural way which could lead to the creation of a digital GRP.

A FINAL WORD ON IMPLEMENTATION & EMBEDDING

Making any kind of change or transition is tough. There can be inertia in a business to change or evolve its tracking approach. Continuous tracking is a big ticket item and something that therefore comes under pressure to prove its ROI. This is especially true in an era of long-term low growth and zero based budgeting. The paradox is that in the battle to prove ROI, continuity of trends is often valued above all else. Fear of loss of consistency or a lack of alignment can stop companies from moving towards their vision and lock them into outdated tracking approaches. Any real transformation can become impossible to achieve unless there is proactive transition planning. Do not overlook the need for a carefully planned journey and ongoing governance structure that ensures progress at a pace that works for your business.