

# IMPACT

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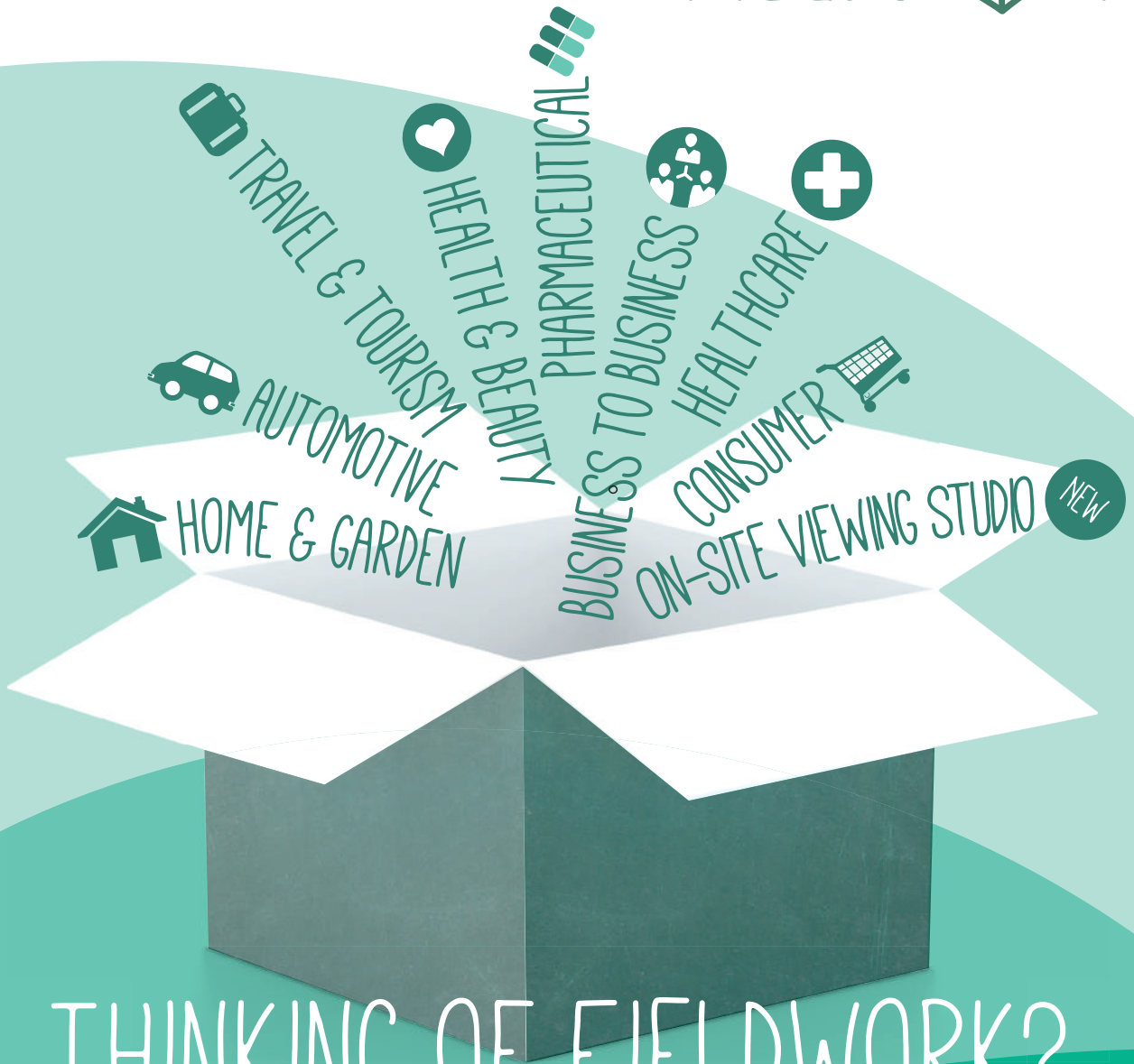


## Reach out

Special report on multi-device audience measurement

PLUS: PENGUIN RANDOM HOUSE ■ ELIZABETH DENHAM ■ CAMBRIDGE ANALYTICA

# FIELDBOX



THINKING OF FIELDWORK?  
THINK OF FIELDBOX

# The right time



**Bronwen Morgan**  
Deputy editor

When I was a kid in South Wales, *The Jetsons* – an American animated sitcom – represented the true American dream. Never mind the sun-drenched Californian surf culture that most teenagers in the nineties fantasised about, I imagined being whisked to the gravity-defying Orbit High School by spaceship – just like Judy Jetson – as I trudged through wet, windy weather to my dreary comprehensive.

But, as the audience at the MRS annual conference, Impact 2017, learned from Facebook's Nicola Mendelsohn during her keynote speech (p20); when it launched in 1962, The Hanna-Barbera cartoon didn't enjoy the initial success that its now cult status would suggest.

*The Jetsons* was the first programme broadcast in colour on ABC-TV, and its vibrant palette was intended to exploit the new capability of colour television to the full. But only a tiny percentage of the American public owned a colour TV set, so the impact was lost on most.

The moral of Mendelsohn's story was that it doesn't matter how compelling your offer is if it doesn't fit the medium. And, the importance of being fit for purpose – and not just getting carried away with the latest capability – is especially pertinent in an age where technology holds so much opportunity. As the special report (p30) describes, our multi-platform, multi-device world offers so many options for both media consumption and measurement that,

while we now know who's seen a campaign, where they saw it and on what device, unpicking the effects of each component on behaviour is now a tougher ask.

As the new Information Commissioner, Elizabeth Denham (profile, p24) explains, the rapid advancement of technology is disrupting other areas of data. Denham – tasked with overseeing the rollout of the European Data Protection Regulation (GDPR) – sees the "opaque data processing" that comes with sophisticated analytics, machine learning and artificial intelligence as particularly important areas for her team to grasp, to ensure that data, no matter whose it is, is being handled fairly and transparently.

"We need to be more connected with tech developments, with universities, so that we can learn more and be on the front foot when it comes to changing technology, because technology moves so much faster than the law," Denham says.

Our data-infused, multi-device present may not be exactly the future *The Jetsons* imagined, but whichever way you look at it, timing is everything.



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Facing the challenge



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City centred



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Gray, a journalist and author, interviewed Birmingham City Council's Steve Rose for the insight and strategy feature on p42.

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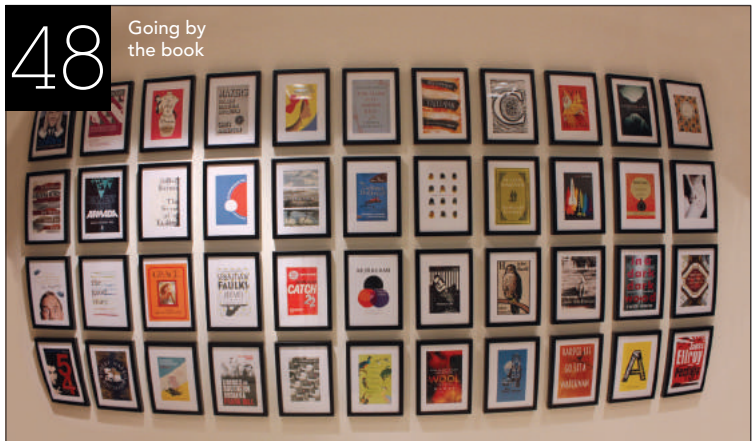
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The challenge of linking ad exposure to behaviour in a multi-platform world

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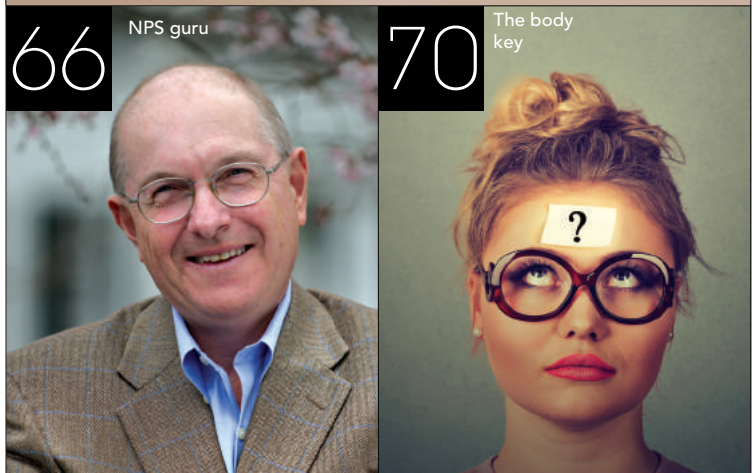
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Going by the book



NPS guru

The body key



**Jo Bowman**



Bowman writes about marketing and research for magazines in Asia and Europe. She contributed to the MRS conference coverage on p20.

**Will Amlot**



Amlot is *Impact's* regular photographer. He captured the ICO's Elizabeth Denham for the profile piece on p24. [willamlot.com](http://willamlot.com)

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# The risky route

There are three principal means of problem solving to be found on earth – science, government and business. A fourth, arguably, is natural selection.

Entrepreneurial capitalism and natural selection both have one thing in common, as a means of finding opportunities – they are entirely pragmatic in deciding what succeeds and what is killed off. In science, in government, in large firms or control economies – the last two are often surprisingly similar in their decision-making; a policy or a theory is more likely to be adopted when it comes dressed up in a fine logical narrative. Such organisations are therefore constrained in their actions by what appears to make sense. No such constraints apply to entrepreneurs or to evolution. Natural selection and market experimentation only care about what works. If it works, it survives; if it fails it is eliminated – through extinction or bankruptcy.

This may explain why so many entrepreneurs are cognitively odd, even downright thick. Yes, your chances of failure are increased if you ignore conventions and norms – but so are the odds of success.

One aspect of capitalism that most offends our sense of fairness is also one of its most important qualities; it rewards people merely for being lucky. Should you stumble on some lucky discovery by a mixture of pig-headedness and good fortune, you will be rewarded regardless. Many good ideas are like aspirin – people find it works without having the faintest idea how or why.

This unplanned system of experimentation has costs in terms of inefficiency and a high failure rate. The upside is that it gives the world things that would never pass muster if they were first exposed to the steely gaze of reason.



## “Logic gets you to the same place as your competitors”

Imagine for a second standing in front of a committee/peer-review group/board of directors and making the case for investment in the following great ideas:

Red Bull: ‘Gentlemen, what we have here is an egregiously expensive drink in a small can which tastes – I think we can all agree – somewhere between weird and disgusting.’

Wikipedia: ‘... and the best part of all this is that people will write the entire thing for free.’

McDonald’s: ‘...and people will be forced to choose between three or four items.’

No sane person would ever have predicted the success of these duck-billed platypuses of the consumer world.

The problem that bedevils organisations once they reach a certain size – typically when they start employing market research companies – is that a narrow, conventional logic is the natural mode of thinking for the risk-averse bureaucrat or executive.

There is a simple reason for this – you can never get fired for being

logical. If your reasoning is sound and unimaginative, even if you fail, you have not been guilty of the sin of subjective thinking and it is unlikely you will attract much blame.

The problem this creates is that logic always gets you to the same place – and exactly the same place as your competitors. The Ogilvy Change mantra is: ‘Test counterintuitive things, because your competitors won’t.’

Both biologists and businessmen understand the need for deviant and oblique strategies. For all the Darwinian narratives of nature as ‘red in tooth and claw’, what is striking about nature is how rarely two species compete directly for exactly the same resources.

What does this mean for market research? I would propose that, when making recommendations, people desist from ever proposing a single best option. Instead, present several possibilities and rank them on two dimensions – the expected outcome and the variance. As with investments, there is no ‘best’ option: it all depends on the investor’s appetite for risk.

Generally there is a trade-off between safety and potential gains. Something with a lower risk of failure is unlikely to make you spectacularly rich – like betting on red at roulette. Institutional decision-making – remember ‘No-one ever got fired for buying IBM’ – leans heavily towards the safe, low gain, low variance option, where there is the least chance of blame.

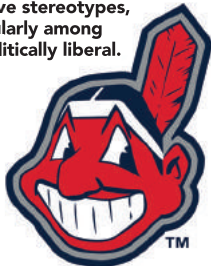
But we should not compound this bias by filtering out the weird and the eccentric – the high risk, high variance option – before it even has a chance. Present it as the risky option, yes, but present it nonetheless. ■

**Rory Sutherland** is vice-chairman, Ogilvy & Mather, UK



**US – p18**

New research shows that ethnic brand imagery can perpetuate negative stereotypes, particularly among the politically liberal.



**Europe – p14**

Ageing well is of high importance to the baby boomer generation. But what this looks like differs across European countries in interesting ways, writes Bronwen Morgan.

# Global briefing

News, views and insight from around the world – from emotive advertising in India to the negative impact of ethnic brand imagery in the US. Edited by **Bronwen Morgan**

**Nigeria – p10**

Technology Enabled Girl Ambassadors is a project enabling 18- to 24-year-old girls in Nigeria to find their voice through research, writes Girl Effect's Laura Scanlon.





### Russia – p16

Local and international brands are tapping into the current Russian culture of anxiety by offering messages of protection, trust and support. By John Murphy of Simpson Carpenter.



### India – p12

Brands that use emotive content are enjoying high levels of engagement in India, where consumers are particularly responsive to advertising that addresses social issues. By Ian Forrester of Unruly.



# NIGERIA



## Girl power

For a long time, young girls in Nigeria lacked a voice. Now, thanks to a specially developed mobile app, they are not only participating in research, but conducting the research themselves. By **Laura Scanlon** of Girl Effect



**B**eing a young girl in Nigeria is not easy. Before she even reaches adolescence, she will begin to carry the burden of generations of religious, cultural and negative societal expectations, many of which hold her back, and some of which are unimaginably damaging.

She will go from being a daughter in her father's home, to a wife and mother in her husband's. She will probably become one of the 6.3 million girls in Nigeria who are not in school – a number higher than anywhere else in the world

– and it's likely she comes from Northern Nigeria where, in some areas, the threat of Boko Haram makes reaching her particularly difficult.

There is a lot of good work being done to offer services and assistance to such women and girls, but tackling the root causes of poverty can only be effective if we truly understand what these root causes are. We can only do this by talking to the girls themselves and understanding their reality.

Let's go back to that girl in Nigeria. There is a knock at her door. It's a stranger – often a Western adult – who has arrived uninvited, holding a



clipboard, asking intimate questions about her and her family's life. She is unlikely to give a full and honest answer, if she is allowed – by her dad or the head of her household – to answer at all. In both instances, results are compromised.

And therein lies the problem; girls in places like Northern Nigeria are not being authentically heard. Conventional research approaches simply don't work effectively in these communities; they are slow, expensive and ineffective. Reports – often six months in the making – are dismissed because of research findings that lack credibility or new insight. This is a global predicament faced by those seeking to understand emergent consumer markets or hard-to-reach communities.

But, if we can plug this data gap, we will be able to accurately understand these girls' worlds, and therefore empower them to reach their full potential.

That is why, two years ago, social purpose organisation to empower women, Girl Effect, began to develop Technology Enabled Girl Ambassadors (TEGA), an idea borne out of the understanding that an adolescent girl is more likely to respond to her peers – who understand her background and

culture – than an adult stranger from a foreign country and culture.

TEGA is a smartphone-based, peer-to-peer research tool that enables girls to gather better, faster, more scalable and authentic research in their own hard-to-reach communities. Girl Effect finds and trains 18- to 24-year-old girls – our TEGAs – living in the places we need to understand. Having partnered with the Market Research Society to create a curriculum, we then spend three months training TEGAs to become qualified interviewers.

Through a specially-developed app, made with the help of TEGAs and inspiration from the likes of Snapchat, Spotify, WhatsApp, banking and even karaoke apps, the girls conduct the research themselves. They then send the findings back to a content hub, where it is programmatically analysed within 15 minutes.

Any girl can become a TEGA, regardless of her education, background or tech knowledge. The app is simple, and includes an alert button, so if a TEGA is in trouble, we can get someone to her three-times faster than the average London ambulance responds to an emergency. We're pleased that this function has never been used.

With TEGA, we have been able to

draw a full picture of a girl's life in Nigeria for the first time – insight that we have shared with some of the world's largest NGOs.

Before TEGA, young girls in Northern Nigeria were perceived to be obedient, shy and compliant. TEGA research has revealed that they are confident, smart, and even slightly rebellious.

Our TEGAs also uncovered the significant role of paternal grandmothers in Nigerian families. Fathers are duty-bound to obey their mothers, and so, behind the scenes, the grandmother has enormous influence over important decisions, such as when girls get married, or whether they stay in school. Uncovering these family dynamics makes development interventions much more powerful and effective.

TEGA research has, for the first time, identified drug abuse as one of the main challenges facing youth in Nigeria's Kano province. Girls viewed drugs as the key cause of crime, violence and unemployment. This influenced one of Girl Effect's partners, whose \$1 billion strategy had previously focused entirely on education and school life to tackle the issue.

Findings are presented in a way that captivates, motivates and inspires, bringing the respondents to life through short documentaries and films, created from what TEGAs have captured on their phones.

Outside data collection, being a TEGA has had a proven positive impact, giving girls living in poverty the skills to become qualified researchers, and empowering them through increased voice, visibility and connectivity.

TEGA is still in its early stages, but it marks a new way of approaching development challenges – using technology to empower girls living in poverty to create safer, faster, more scalable and authentic research.

**Laura Scanlon** is director of TEGA at Girl Effect

# The heart sell

Indian shoppers are more responsive than the average global consumer to advertising, particularly if it's emotionally charged. **Ian Forrester** of Unruly describes research exploring this trend

In a world where consumers are increasingly mistrustful of advertising – seeing it as an unwelcome distraction from their hectic daily lives – India has a uniquely positive outlook.

In contrast with the global average, most Indian consumers (62%) like seeing ads online. Even questionable retargeting techniques, with ads seemingly following users around the internet, are deemed by more of the population to be helpful (49%) rather than creepy (41%), in stark contrast with the global averages (20% and 63%).

In addition, some of the more intrusive online video advertising formats are less likely to irritate Indian audiences – with only 19% finding auto-playing mobile video ads annoying.

Indian consumers are also the most likely to share branded content online. Three-quarters (74%) say if content is good they would share it with friends and family online, while the Indian video share rate (percentage of viewers who go on to share a video) of 3.4% is greater than the global average (1.5%).

So why do Indian consumers love advertising so much? One possible reason could be tied to India's social mobility, with its aspirational middle class growing at breakneck speed.

Although definitions of what constitutes 'middle class' vary widely in India, a 2016 Mumbai University study suggests those spending between \$2 and \$10 per capita per day doubled to 600 million between 2004 and 2012.

Sharing videos is seen to tie products to the sharer's personal brand, showing they are driven, ambitious and care about the trappings of success.

Analysing branded YouTube channels and

Facebook pages in India reveals just as many seemingly mundane product-focused ads as on western pages. However, while these videos have low engagement rates among western audiences, Indian users are much more willing to engage with and share this content.

For example, the most shared Jaguar ad of 2016 globally was an ad for the F-Pace, showing the car being filmed at a motor show while the brand director of Jaguar India talks through its features. Such a video wouldn't raise an eyebrow among western viewers, but it resonated strongly among Indian viewers and is on its way to amassing 36k shares.

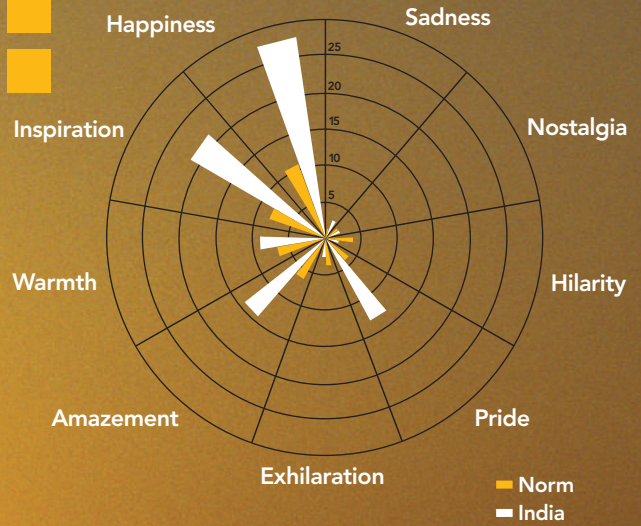
The most telling stat comes from Unruly Pulse, which identifies and tracks the emotional trends in video advertising. As the chart illustrates, the dashboard shows the extent to which Indian viewers have much more intense emotional responses to video content than the rest of the world. In fact, compared with the global norm, Indian audiences over-index for every key emotion apart from one: nostalgia.

It's not that India is producing more emotive content. Instead, it shows that Indian viewers are much more likely to respond emotionally to advertising than the rest of the world. Add really

emotive content that tells a story and, suddenly, the emotional touch-paper is lit, with brands achieving huge levels of engagement.

Content that generates the most emotional responses in India is generally centred on social issues. One of the most impactful is Vicks' – Destiny Child – the story of a transgender woman who adopts an orphan. The sad story of the orphan is amplified by intense feelings of warmth, inspiration and happiness as Vicks reveals the impact the new relationship is having on both protagonists' lives.

Another campaign to hit home is Google's – Pledge to Vote – which reminds viewers of the country's first General Election in 1951, urging them to visit the ballot box come rain or shine. It evokes intense feelings of national pride, happiness and inspiration, reminding viewers what the country went through to gain this right for its citizens.



Ariel's – Share the Load – focusing on the traditional household roles of Indian men and women, is another example of a campaign that manages to generate emotion. The ad shows a repentant father who realises he has set the wrong example to his daughter by failing to help her mother (his wife) with the chores. In a recurring theme in Indian advertising, the ad evoked pride, warmth and happiness, culminating in viewers feeling inspired to divide the housework more equally between both genders.

Nestlé – Educate the Girl Child – also had a gender equality theme, highlighting the 20 million girls in India still being denied access to education. To make its point, it uses

images of a little girl chopping off her hair to make her look like a boy and therefore be allowed to go to school. Again, the ad evoked a mix of sadness, warmth, pride and inspiration.

The emotive nature of these videos made them memorable, which in turn drives high brand metrics for Vicks, Google, Ariel and Nestlé. Brand recall, intent to find out more, purchase intent and brand favourability were all ahead of the Indian market norm, illustrating their power.

Indian video advertising is in rude health and the country's aspirational consumers are extremely receptive to advertising. From this positive starting point, brands that produce extremely emotive content can reach new heights of engagement. And that – as the Indians will tell you – is first-class.

**Ian Forrester** is global vice-president of insight at Unruly

# EUROPE

## Ageing populations

The post-war 'baby boomer' generation is fighting ageing more than the 'silent generation' that came before it. But, according to new research, there are some key differences between how this plays out across European countries. By **Bronwen Morgan**

**B**aby boomers have a different way of approaching ageing," says Sophie Schmitt, CEO of Seniosphère Conseil, a strategy and marketing consultancy that specialises in baby boomers and the senior population. "They consider ageing in a positive way – it's something they're really interested in. But, if you look at the silent generation [before baby boomers] they were not that focused. They were more accepting of ageing. Baby boomers are somehow fighting it."

Seniosphère Conseil has been exploring the notion of 'ageing well' and the attitudes and behaviours that surround it since 2008, via an evolving survey, initially running only in France and now gathering insight from 50- to 70-year-olds in France, the UK, Germany, Spain, Ireland and the Netherlands via an online study.

While there are many similarities between baby boomers in these markets, there are also some interesting differences.

The first is how baby boomers across these five markets define the concept of ageing well. While respondents in all countries agreed that 'being in good health' was the most important factor; 'feeling good about yourself' was much more important to those in France, Germany and Spain than elsewhere; it was the second most important factor in France and Spain (third in Germany), but was fourth in line in the UK and Ireland, where 'continuing to be able to do what you

enjoy in life' was the second most important factor in ageing well.

Despite differences in definition, the notion of ageing well was of high importance across all countries, though particularly in Ireland, where 97% felt that it was either very or somewhat important. Meanwhile Spain (89%), France (88%) and the UK (87%) all had similar levels of overall agreement, and Germany was lagging behind (78%).

Interestingly, Germans reported the highest levels of health problems across all five markets. Some 83% had 'at least one' of a list of ailments, which included: being overweight; high blood pressure; cholesterol and



diabetes; migraines; and cancer. They had the highest levels of reported obesity, high blood pressure, diabetes and asthma. Some 82% of Irish respondents also had at least one of the ailments, followed by 81% of Spanish and UK respondents, and 76% of French respondents.

There were also some key differences observed across the markets concerning the age at which it was felt people should 'start to do something' in order to age well. Respondents in Ireland and the UK were most keen to act early: 78% of those in Ireland and 74% in the UK felt that one should act before the age of 40; 67% of Spanish and 73% of French respondents felt this should start before age 50; and 65% of Germans believed that this action could wait until after the age of 50.

When asked if they had taken any action to ensure that they were ageing well, 35% of all respondents said they had; 80% of these had paid more attention to their diet; 65% had done more physical exercise; and 47% had tried to sleep better.

An interesting difference in health

priorities was revealed among respondents in the UK, Germany and France, when asked what three areas they would spend £300 on if they were given that amount to help them age well.

Looking at the five countries as a whole, the top answer was healthy eating. However, in the UK, the most popular element to spend money on was dental care, while in France and Germany it was spa or treatment sessions. This could be because in Germany and France visits to spas for medical reasons are commonplace. They are prescribed by doctors, with costs often covered by health services.

Another interesting finding was that a high proportion of baby boomers across the markets said they suffered from stress. This ranged from 73% in the UK to 90% in Spain. The main reported sources of stress were: family situations (named by 44% of respondents); physical problems linked to age (40%); financial problems (33%) and minor health issues (32%).

## Ageing-well segments

The study enabled the identification of six segments in the 'ageing-well market', ranked from the not involved to the extremely involved:

**Average Joes (20%)** are not engaged with ageing well. This segment is particularly strong in the UK and France

**Needies (16%)** are somewhat engaged but need the support of a coach or medical professional

**Appearance First (20%)** prioritises looking good and younger. This segment is particularly strong in the UK

**Healthy Progressists (17%)** feel that good nutrition and a balanced lifestyle are key to ageing well and are willing to pay more for innovation. This segment is particularly strong in Germany

**Active Hedonists (20%)** believe that feeling good about oneself and physical wellbeing will facilitate ageing well. They are willing to pay more for innovation. This segment is particularly strong in France and Germany

**Extremists (8%)** believe that heavy, intrusive interventions are the only way to age well. They are willing to pay more for innovation. This segment is slightly stronger in Germany.

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# RUSSIA

Anxiety among Russians has risen steadily since 2010, and brands are tapping into this. **John Murphy** of Simpson Carpenter explains

## Supportive strategy

**O**ver the past century, Russia has experienced numerous wars, radical social experiments and natural disasters. And, although its citizens enjoyed a relatively stable 13-year socioeconomic period at the start of the millennium, 2014 witnessed a series of negative events that have had a significant impact on the social mood.

Unsurprisingly – in the face of the Crimea annexation and the ensuing economic sanctions from the West, the collapse of the rouble and the subsequent halving of real incomes, the decrease in oil prices and the wars in Ukraine and Syria – anxiety levels among the public rose steadily between 2010 and 2017. Currently, 65% describe the situation as ‘tense’ or ‘critical’.

A three-year study of consumer-facing advertising, carried out by Simpson Carpenter’s Russian cultural insight partner LocalTalk, shows how local and international brands have tapped into this climate of social anxiety. We can identify the dominant frameworks in which brands communicate messages of safety – both directly and indirectly – helping consumers build personal strategies to cope with the current Russian culture of anxiety and uncertainty.

Three dominant cultural narratives have emerged: a literal interpretation of protection in the form of protective borders, or products that offer strength or help even in a physical sense; codes using visual cues that decrease consumer anxiety more subtly through associations with nature, trusted traditions, or smart technology; a deeper interpretation of the understanding of safety through codes using signifiers of comfort, care, support of the community and control over personal choices, security via relationships and personal responsibility.

### Protection

A ‘Protective Barrier’ code speaks about preventing a problem and is commonly brought to life through visual cues of safety such as shields, protecting circles, walls, shell, thick and hard substances. It is primarily used for products that serve ‘against’ something – such as medical remedies, cleaning products, information security – and the product itself is sometimes portrayed as a barrier hiding its owners from the dangers of the outside world.

Another code that expresses this literal interpretation is ‘The Hero’, shown via concepts such as: the ‘real man’ – big, physically strong, usually quite serious, someone to protect consumers; the ‘magic helper’ – a popular superhero or animated character with the product acting as a magic helper; the ‘strong animal’ – brought to life through lions, tigers, bears, and horses using powerful action sequences – as brands associate themselves with animalistic power and energy, which passes to consumers who are usually portrayed as handlers.

### Nature, technology and trusted traditions

Calming nature, idyllic green fields and blue sky are widely used in marketing communication in food and personal care categories, as



**ABOVE** An ad for Russian railways uses a ‘tender care’ message

**TOP RIGHT** Insect control brand Raptor draws on the concepts of ‘barrier’ and ‘strong animal’

**BOTTOM RIGHT** Ikea’s ‘make yourself at home’ message reflects Russia’s collectivist culture



an antidote to perceived dangers of man-made inventions, notably chemical poisoning. Emphasising the product's origins or its natural ingredients, it is mainly used to target female consumers, with women portrayed as classically tender, fragile and beautiful.

Concepts detailing smart technology or the authority of science give a rational perception of the world, where brands offer security through faith in a better, smarter future by drawing on imagery and metaphors, such as metallic colours, smooth surfaces, formulas, figures and charts, micro-elements, scientists and experts.

Symbols of national traditions, in culture and branding, have become more evident in recent years. Codes illustrating this theme vary from references to Old Slavic traditions of living in harmony with nature, to the brave souls and beautiful people of the old USSR. They tend to be illustrated through historical elements, a documentary style or national symbols such as birch.

### Relationships and supportive community

In Russia's collectivist culture, people expect support from family and friends rather than from state or government. This is primarily expressed through two codes: the 'supportive community'



“ The research clearly demonstrates that brands are tailoring their communications to identify with Russian consumers living in a climate of social anxiety ”

code sees brands taking the role of a friend or support network. Ikea, for example, shows a group of strangers at a new year party being welcomed by the hosts who invite them to 'make yourself at home!' This code is represented by visual

cues of holding hands, parties, relaxed poses, smiles, helpful actions and words such as 'always here' or 'one of us'.

The 'tender care' code conveys a soft and caring form of protection, which in Russian culture usually comes from women. Brands using this code present women as the central characters, as experienced consumers and caregivers for those around them.

The research clearly demonstrates that brands are tailoring their communications to identify with Russian consumers living in a climate of social anxiety.

With a prevailing global mood of uncertainty and anxiety, brands closer to home may well take the same approach as a starting point for a way to tap into a need for protection through codes that resonate and reassure.

**John Murphy** is a cultural insight consultant at Simpson Carpenter

US

# The logo effect



A study from the US suggests that exposure to 'ethnic' logos strengthens negative stereotypes of the ethnicities depicted, but only among those who identify as politically liberal. By **Bronwen Morgan**

**B**rand characters – like Ronald McDonald, Mr Muscle and the Michelin man – have long been used to give brands personality, to make them more memorable, and as a way of associating them with desired qualities.

Research has shown this to be an effective approach; exposure to brands triggers non-conscious brand-consistent behaviours – both positive and negative – and this is particularly strong for anthropomorphised brands.

But the use of 'ethnic caricatures' – such as the Dolmio family, Uncle Ben, and Aunt Jemima in the US – is more contentious. There has been a suggestion – though little empirical evidence – that ethnic brand imagery can perpetuate negative stereotypes. A recent US study looked into this issue and probed the conditions under which this type of brand imagery can strengthen either positive or negative implicit stereotypes.

The study's authors also investigated to what extent political identity could affect this response – in particular the effect of the perceived 'malleability' of worldview associated with liberalism, compared with the 'mental rigidity and resistance to change' associated with conservatism.

The researchers carried out three studies. The first saw participants randomly assigned to view either an unfamiliar American Indian or kangaroo sports team logo for 30 seconds. Participants then completed assessments: measuring implicit associations between the concepts of 'American Indian' or 'European American' and 'warlike'; and their agreement with the idea of American Indians being 'warlike'. Other assessments measured familiarity with and exposure to American Indians, the perceived offensiveness of ethnic logos in general, and

information on their demographics and political identity.

The results showed that ethnic logo exposure strengthened negative stereotypes among more liberal individuals, but not among more conservative individuals.

A second study tested the interactive effects of brand imagery exposure, stereotype valence – the intrinsic attractiveness or negativity associated with the stereotype – and political identity on stereotype activation. This effectively recreated the first study, but manipulated stereotype valence by varying whether participants viewed a logo alone or with a slogan: 'We are Noble, We are Peaceful, We Compete with Honour'.

It also replaced the word 'warlike' from the implicit association test with four terms: honourable; dignity; noble; and grace.

The second study replicated and extended the findings of the first. In the 'no-slogan' condition, ethnic logo exposure weakened the association of American Indian with 'noble' for liberals, but not conservatives. However, when a positive stereotypical slogan accompanied the ethnic logo, logo exposure strengthened the liberal participants' associations of American Indian with the 'noble' concept.

The third study asked whether the interactive effects found in the second had observable consequences in reality. To do this, researchers

compared two US media markets: one with a more negative stereotypical American Indian-themed Major League Baseball franchise, and another with a less negatively stereotyped American Indian-themed franchise. Media markets with animal-themed franchises were used for control.

The results of the 'field' study seemed to corroborate those generated in the laboratory, though the authors noted that the 'quasi-experimental design' meant a firm causal inference couldn't be drawn. Liberal individuals in cities with negatively stereotypical American Indian sports logos demonstrated stronger implicit stereotypes than those in cities without such logos.

"Despite the marketplace's active promotion of stereotypic representations, prejudice and discrimination have received surprisingly little attention in consumer behaviour," the report concluded. "The ongoing debate over ethnic brand imagery provides an exceptional opportunity for consumer researchers to influence an important societal issue." ■

**Activating stereotypes with brand imagery: The role of viewer political identity, by Justin Angle, Sokiente Dagogo-Jack, Mark Forehand and Andrew Perkins, *Journal of Consumer Psychology*, 2017**

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# Future Fit

AT THIS YEAR'S MRS ANNUAL CONFERENCE, IMPACT 2017, A BROAD RANGE OF SPEAKERS TOOK TO THE STAGE TO EXPLORE STRATEGIES FOR BETTER BUSINESS AND A STRONGER SOCIETY. REPORTING BY **BRONWEN MORGAN, BEN BOLD, JO BOWMAN AND ROBERT LANGKJAER-BAIN**

**Facebook and market researchers have a "special responsibility to build business outcomes that are relevant to people" and "distil data into insight", according to Nicola Mendelsohn CBE, the social network's vice-president EMEA.**

Mendelsohn opened the conference with a presentation that spanned topics from the dominance of mobile to the need to tackle gender imbalance and unconscious bias in the workplace.

"We want to partner with all of you in this room to help businesses really understand how marketing drives value," she said. "We have a special responsibility to build business outcomes that are relevant to people."

Mendelsohn, who has worked at advertising agencies, including Grey and was the first woman president of the Institute of Practitioners in Advertising (IPA) before joining Facebook, started with a slide of 1960s TV cartoon show *The Jetsons*. She took the audience back to her childhood, when she imagined a future that would "look like *The Jetsons*, complete with a robotic maid called Rosie and flying to Brent Cross in my space car".

Her point was a serious one – that when *The Jetsons* debuted, only a tiny percentage of the population had colour TVs, so the impact of the trailblazing colour show was lost on most viewers.

"The lesson here is that even if you have amazing stories and content, if the content doesn't fit the medium then it will be lost," she said.

"Right now, we're living in a moment when it feels like consumer behaviour is changing faster than ever before, and like colour TV then, the new medium is mobile."

She highlighted that only 5GB-worth of data had been created from the beginning of time until 2003. "We now create the same amount of content every 10 minutes." Much of this is fuelled by mobile take-up.

Mobile, she said, is disrupting many markets with, for instance, the world's biggest car company (Uber) owning no cars and the biggest travel/hotel group (Airbnb) owning no venues.

She referenced figures, such as that WhatsApp carries around 50bn messages every day; more than 90m photos on Instagram are shared every day; and users share in excess of 100m hours of video on Facebook, with UK consumers spending an average of two hours and 40 minutes on their mobile phone every day.

With the sheer volume of data available, Mendelsohn stressed that it is crucial to stay focused on one thing.

"I'm optimistic about the change that's coming," she said. "One thing won't change for market research and Facebook, and that's people. People are the common thread. While the numbers and research swirl and swirl, we are uniquely positioned to distil that data into insight."



Nicola Mendelsohn

## Ed Balls: politicians 'should never make policy on the basis of focus groups'

The former Labour MP and shadow chancellor, who surprised a nation of TV viewers into liking him thanks to his dancing moves on the BBC's *Strictly Come Dancing*, was in conversation with Deborah Mattinson, founder-director of BritainThinks and with whom Balls worked during his Labour years.

The self-described "recently retired former professional dancer" is pretty sure that he will not return to politics, having heeded the advice of former Tory MP Michael Portillo. "I think it's always bad in life to go back and repeat what you've done and hope you do better at it. You've got to look forward and ask: 'What are the new challenges?'"

What did Balls think of the state of Labour at the moment under the helm of Jeremy Corbyn? A shrug and laughter spoke volumes. "Shall we talk about 'Strictly?'" he said. But he became more expansive, arguing that Labour's obsession with "existing only for its members" hampered any chance it had of appealing to a broader swathe of the electorate.

Addressing his attitude towards market research, Balls spoke about his use of insight and focus groups during his political life – how they are "hugely important in different ways".

He dismissed the efficacy of polls without the application of underlying segmentation, which is necessary to truly understand what is happening among an electorate.

"You should never make policy on the basis of focus groups," Balls said. "But you learn a lot about language and the things that matter to people."



## Digital ads must be relevant, better targeted, and controllable to cut through the clutter

Chaired by Jay Owens, research director at Pulsar, the session entitled 'Earning attention in the digital age' examined some of the tenets of engaging audiences online.

Jo Tenzer, research lead at Facebook, pointed out that while radio took 38 years to reach 38 million listeners and TV took 13 years to reach similar audience numbers, mobile took just a decade to reach two billion people.

"The growth is no less profound, it's just happened a lot quicker," she said. "With the growing impact of digital, advertisers need to work harder to ensure relevance when planning campaigns."

Strong creative is essential, Tenzer said, adding that imagery strikes an impression more quickly than text (with an MIT study concluding that it takes just 13 milliseconds for the average

person to recognise an image). "Bad ads are disruptive and can annoy us," she explained. "We should be seeing more of the stuff that we want to see and less of the stuff we don't."

Tenzer was joined onstage by Adam Isaacson, director at Ipsos MORI, who explained the agency's work with Facebook to understand and tackle the growth of ad blocking: "not how but why they are doing it".

The study found that the majority (69%) downloaded ad-blockers to avoid disruptive ads, 58% to avoid ads that slowed browsing and 56% to avoid malware and security compromises.

Isaacson distilled his presentation into three lessons: relevance is key, ads need to be better targeted and controls "really help", as they allow consumers to stipulate what sort of ads they want to be targeted with.

Meanwhile, Olesya Moosman, head of research at Twitter, talked about how brands should tailor their messages and tone of voice when attempting to reach and engage with consumers.

"Communicating succinctly while retaining personality is an art," she said, paraphrasing Mark Twain, who said: "If I had more time, I would have written a shorter letter".

She told how Twitter worked with research agency Flamingo's semiotics team to identify "what makes a good tweet", establishing that the best, most popular and engaging tweets strike a balance between the written and spoken word.

A dozen styles of successful tweet were identified, including the 'New news tweet'; the 'Quick take tweet'; the 'Go mock yourself tweet'; and the 'That's BS tweet'.

## Market research 'should stop calling itself market research'

Dan Nunan, a lecturer at Birkbeck, University of London, has been tracking the declining use of the term 'market research' over time, and his advice to the industry is to ditch the label completely.

Nunan said that although the research industry's future is bright, the definition of what market research is – and how the industry should define itself in relation to the world of big data – remains up in the air.

Only three in 10 research companies describe themselves using the term market research, Nunan's research revealed – and the bigger they are, the less likely they are to do so. Instead, they use terms such as data science, business intelligence and insight.

The MRS itself rarely spells out what its letters stand for, and its industry report refers to 'the business of evidence',

rather than mentioning market research. Similarly, Esomar and the newly formed Insights Association in the US, find ways around mentioning the term directly.

In academia, the number of papers published on market research is dwarfed by the number on data science.

These labels matter, Nunan said, because "labels determine how we perceive others and how others perceive us". In particular, the term market research has suffered from its association with opinion polling, and its recent high-profile failures.

But the research industry still has a huge amount to offer the world of big data. "For all the talk about big data and data science, methods knowledge within the industry generally is really poor. I never cease to be amazed by the lack of knowledge of how to use data and

how to generate insights from people who claim it is core to their strategy. The market research industry has a huge amount to tell everyone else about how to generate value from data."

Simon Chadwick, chairman of the Insights Association, said the name of the new US industry body had upset a lot of people who had hoped it would explicitly mention market or survey research – like the names of its forerunners, Casro and the MRA. "There were people who felt we were walking away from our heritage."

Chadwick said research professionals needed to "be bolder in terms of saying who we are and what we're about. After all, the core of what we do hasn't changed. The core is still to interrogate data to find stories to lead to better decisions".

## Dr Hannah Fry, academic, mathematician and author of *The Mathematics of Love*, and her five top tips for finding love

### 1. There's really no point in having a checklist

Dr Peter Backus's thesis on why he did not have a girlfriend included a checklist to enable him to find one. But once all his requirements had been met, Backus's conclusion was that he had a one-in-285,000 chance of finding love.

"Opening yourself to new possibilities is not something you tend to do when looking for a partner," Fry said, suggesting that a more open-minded approach would bear more fruit.

### 2. Beauty isn't everything

The definition of beauty has long eluded the best minds. The supposedly scientific definition of beauty – the 'golden ratio' – has been applied by artists and architects to create visions of mathematically-rigorous beauty. "Actually, we tend to prefer asymmetrical faces as they are seen as more natural," Fry said.

### 3. Play up to whatever it is that makes you different

Many people on dating sites tend to post pictures of themselves that hide the features they are less than proud of. This is the wrong approach. "You should play up to what you think makes you different, even if you think some people will find it unattractive," she said. "Because the people that fancy you will fancy you anyway."

### 4. Reject everyone during the first 37% of your dating life for the best chance of finding the right one

"Say you date from when you're 15 and settle down by the time

you're 35. Maths says that for the first 37% of your dating life you should reject everyone who comes along as serious marriage potential. "After that window has passed, settle down with the next person who comes along who is better than everyone who came before. It optimises your chance that you end up with 'the one'."

### 5. Communicate honestly and positively for the best chance of success in the long term

"You'd have thought that those with the highest negativity thresholds [the point at which bad behaviour becomes unacceptable rather than merely irritating] would be the couples with the best chances of success," Fry said. But the opposite is true. "Those with very low negativity thresholds tend to address problems as soon as they arise, rather than bottle up their feelings until they blow up."



## Caitlin Moran: ‘The internet is like a baby – incredibly angry about things that don’t matter and easily distracted by pictures of animals’



Interviewed by Martin Lee, co-founder and strategist at Acacia Avenue, Moran dived into an array of topics at great depth and speed.

Moran, who now works in a shed in her garden, explained that she no longer goes out that often. It begged the question: How can she write social commentary when based in a shed?

“Luckily it’s become even easier now,” she said. “We’ve all migrated to the internet.” She said that being online had helped the world develop a global consciousness.

When Moran joined Twitter in 2008, “all conversations with friends were about how boring politics was. Obviously that’s completely changed now. You see politicians in the Houses of Parliament using the words and phrases of trolls,” she says. “This online language is affecting the highest levels of power in the world.

“The trouble is that the base of the internet, the algorithm that runs it, wants more exciting things. Not truth, not facts, but the most exciting things. The problem with that is that the things that people most talk about are the things they disagree with. There is money in us arguing.”

She highlighted how the internet has powered people’s differences (over issues like racism, sexism and immigration) when humanity should instead be brought together by the “million things that unite us”.

Moran suggested that the world’s internet-powered global consciousness was akin to the consciousness of a baby, prone to getting “incredibly angry about things that don’t matter” and “easily distracted by pictures of animals”.

She also likened the internet at its current stage to the frontiers of the US, ruled by aggressive white men.

“Crime is not seen as real on the internet. Threats are not viewed as real and, as a consequence, everything we’ve built this on is toxic.”

## Post-Brexit Britain: divided we stand

Newspaper headlines immediately following the UK’s vote to leave the European Union focused on a number of divides: old v young; the ‘elite’ class v the ‘left-behinds’; and London v the rest of England.

But, said Cordelia Hay, associate director at BritainThinks, the real story is much more complicated. Hay described leavers and remainers as “sociodemographically heterogenous groups” who are more likely to be grouped based on their values – the biggest predictor of Brexit vote was a person’s attitude towards the death penalty – and define themselves based on who they are not, rather than on who they are.

Not only are many newspapers telling the wrong story, Hay reflected, they are actually adding to the problem – “the more we talk about and reinforce these divides, the more real they become,” she said.

The theme of stories continued with BrainJuicer’s Tom Ewing, who presented the idea that, because our brains are hard-wired for pattern recognition, people fit events – such as Brexit – into their own version of a national narrative.

According to journalist and author Christopher Booker, there are seven different story types: comedy; tragedy; rebirth; voyage and return; the quest; rags to riches and overcoming the monster. All stories – no matter the subject – fit one of these definitions, he said.

Brainjuicer’s research points to Britain’s ‘story’ (for both leavers and remainers) as consistently one of comedy, with the overriding message being: ‘despite all the mistakes and problems, Britain will be fine in the long-term’. However, the precise nature of that comedy has varied; before the Brexit vote, the theme was ‘quiet desperation’ (message: we’ve been going for centuries and we’re still here); immediately afterwards it was ‘don’t panic’ (message: things will improve after a while); and, more recently, the story has been ‘mustn’t grumble’ (message: you have to get on with life and deal with it).

But the stories diverge for leavers and remainers – those in the leave camp are more positive, and the tragedy story is more widely embraced by those who voted remain.

The third speaker, Catherine Hunt of the Prime Minister’s office and cabinet office communications, outlined how the government has responded to the post-Brexit divide. Rather than attitudes towards the death penalty, Hunt presented the biggest predictor of Brexit vote as being social mobility – those with perceived high social mobility voted remain; those with low social mobility voted leave.

She urged remainers to avoid assuming leavers were inherently racist, but rather to be sympathetic to the rapid social change – including a decline in local identity – that had put pressure on income and local services and led to discontent with the status quo. ■

Information Commissioner **Elizabeth Denham** has a habit of taking on challenging roles. She tells Bronwen Morgan how her latest could be her toughest yet

# Laying down the law



**I**t's cold and grey in London on the day I meet Information Commissioner Elizabeth Denham. But she doesn't seem to mind. "I'm used to the rain," she says. "I come from British Columbia and I find the weather very similar. Vancouver weather – Victoria weather – is a lot like London and Cheshire, so I'm not surprised by some gloomy skies. I've adjusted to that."

In July 2016, Denham moved from Vancouver to Cheshire with her retired computer-scientist husband, to become the UK's Information Commissioner – the fifth since the role was created in 1984 – replacing Christopher Graham, former director general of the UK Advertising Standards Authority, who had completed his five-year term.

The Information Commissioner's Office (ICO) is the independent body established to uphold information rights in the UK. One of its key tasks at present is the rollout of the European Union General Data Protection Regulation (GDPR), which was approved by the EU Parliament in April 2016, after four years of preparation.

The GDPR is intended to strengthen and unify data protection for individuals within the EU. Denham describes it as a "once in a generation change, and a new high watermark for data protection". When it is fully introduced in 2018, the regulation will herald several key changes, creating a single, broad set of rules across the EU. These changes include: expansion of the definition of personal data; greater liability of data processors and controllers; increased fines; and strengthening of the enforcement regime.

Seeing this through would be a challenging task at the best of times, but Denham agreed to take it on before British voters' unexpected decision to leave the European Union.

"I thought I'd be coming to this job with an established set of challenges: new law, new regulation – I knew there would be some complexities, but I thought the pathway was fairly clear," she says. "But I applied for the job before the referendum and I started just afterwards, so what I didn't anticipate was the significance of the challenge presented by the decision."

### Question marks

Coming in, the biggest questions Denham felt needed to be answered were: what would happen to regulation as a result of the Brexit vote; what would the law look like in 2018, when the regulation is live; and what would happen after that?

"There were so many question marks. My first six to eight weeks in the role involved a lot of meetings with stakeholders and government officials – meetings with senior public servants to hammer out what this could mean."

As it stands, Denham says there could be some uncertainty in the years after Brexit but – because data is foundational to the digital economy and data needs to flow – she believes there's a very strong argument that the UK will have equivalent laws to the European Union.

### Challenges

Denham has form in taking on tasks of this magnitude; she held a role in Alberta, Canada, where she was charged with building the regulatory programme for a new private sector privacy law. After that, she went to the Canadian federal regulator, to take over when another new law came into place (see CV box).

"Perhaps there's some consistency in my movement," she says. "I'm following the new laws and engaging in the challenge of bringing in ▶

**“I thought I'd be coming to this job with an established set of challenges – I thought the pathway was fairly clear”**



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“The language is different – I have a 500-page book of British idioms that I’m studying so I can understand what my staff say”

▶ a new law.” And although she’s thriving on that challenge, the impact on her task of the Brexit vote was immediate and sizeable.

“It didn’t allow me to take my time and settle into the role. I barely had my feet under the table when we were meeting with government, with industry groups, commissioning legal research; we were right into the work from day two. The policy work and the advisory work was pretty significant very early on, and will continue.

“I work with my 27 colleagues – my European counterparts – and we’re looking at consistency and policies, and decision-making in the GDPR. At the same time, the UK is planning to leave that group. So it’s a complicated relationship. And I’m a Canadian to boot, so it’s interesting.”

The ICO deliberately advertised the role beyond the UK, Denham says, and she was specifically encouraged to apply.

She was known in Canada for her aggressive approach – in particular for a hard-hitting investigation into a ministerial official deleting emails that were covered by a freedom of information (FOI) request – as well as for leading a probe into privacy in Facebook, which resulted in global changes to the social networking site.

Denham regards the ICO’s decision to advertise the role globally as a demonstration of its interest in the wider world and the idea that international candidates – in particular those from Commonwealth countries – might have something to bring. Although, naturally, there are differences between information law in the UK and Canada, many broader issues are applicable to both countries, and the institutional framework is similar.

I ask Denham if being a Canadian has added an extra layer to the challenge. She believes that while there are similarities between the two countries that have made the change easier – for example, data protection laws and FOI laws have fundamental principles, and there are shared parliamentary traditions – there are also a number of differences.

“The language is different – that was a big surprise to me,” she says.

“The business traditions and business language are different; I find my staff quite often say: ‘Well, that’s a very North American thing to say’ – and I think what they mean is how explicit or direct the language is in business in North America, compared with in the UK.

“I have a 500-page book of British idioms that I’m studying so I can understand what my staff say.”

The other key difference, Denham explains, is that the British public is concerned with a noticeably different set of threats from their North American counterparts.

While Britons are seemingly worried about commercial marketing, nuisance calls and the trade in personal information, North Americans are more concerned about government and police surveillance.

### Proactivity

Although GDPR implementation and the data-protection regime are the focus of Denham’s work, her priorities for the office are a little different. Bringing in a new law is not just about setting up the complaint process, she explains, or working out how to administer sanctions and fines, but about connecting to the industry – to the organisations that are going to be impacted by the law.

She is keen for the ICO to set out its stall as a proactive regulator – to “go out looking for trouble” and not just wait for complaints or issues to land on its doorstep. This, she says, involves understanding potential future – not just current – risks to data protection, in particular from new technology. ▶

► Denham knows, first hand, the opportunities that technology can offer; one of her sons (she has four children) is an app developer in Silicon Valley, the other a particle physicist teaching data analytics. She also sees it in the cases that the ICO takes on.

The drive to improve the technology capacity of the ICO has begun with the imminent search for a chief technology strategist and more technical investigators. “We need to be more connected with tech developments, with universities, so that we can learn more and be on the front foot when it comes to changing technology – because technology moves much faster than the law,” Denham says.

So are there any technological developments that she’s particularly wary of?

“I think what we most need to understand is the adoption of sophisticated analytics, machine learning, and artificial intelligence, because the tech is so far beyond where we examined it before.

**“ The regulator's going to play a significant role in ensuring fairness and transparency in the way data is processed and shared ”**



“This isn’t a question of databases coming together, this is about opaque data processing, where individuals don’t really know what they can complain about because they don’t know what’s happening. I think the regulator’s going to play a really significant role in ensuring that there’s fairness and transparency in the way data is processed and shared.

“That’s what I mean about being proactive; we don’t just wait until calls come in or complaints come through the door – we actually go out and look at what’s happening in the environment.”

Another issue that will come under close scrutiny by Denham in the years to come is business-to-business trade in personal information. She has already issued the regulator’s first fine to a data broker; The Data Supply Company has been ordered to pay a £20,000 penalty for unlawfully trading personal information. According to the ruling, the information was acquired from other firms’ websites, where many of the privacy notices were ‘too general and unspecific to comply with the law’.

This adds to another record for Denham; she has already overseen the ICO’s largest fine to date, of £400,000, issued to telecoms company TalkTalk after it failed to protect consumer data from a cyber attack. The maximum possible fine under existing regulation is £500,000; under the GDPR, the ICO will be able to hit firms with fines of up to 4% of their global turnover.

However, Denham recognises that there is a difference between those companies that are aware of the law and deliberately ignore it, and those that are not as familiar with the nuances of the legislation.

“We have the discretion in our enforcement policy to take action against those who know what the law says – and know how to apply it – but purposefully disregard it, and others that need a stern letter and an education session,” she says. “We have the discretion and the ability to see the difference.”

### Self-regulation

Enforcement doesn’t stop at the ICO’s front door, however. At the beginning of the year, the regulator confirmed that it had investigated itself for failing to meet British data protection laws on a number of occasions since 2013. It has upheld 14 of those complaints.

“The ICO handles a lot of personal data in the processing of our complaints – in carrying out our regulatory role – and, sometimes, we make

## CV

ELIZABETH DENHAM

**July 2016 – present**Information commissioner  
Information Commissioner's Office (ICO)**July 2010 – July 2016**Information and privacy commissioner for  
British Columbia  
Office of the Information and Privacy Commissioner  
for British Columbia**June 2007 – July 2010**Assistant privacy commissioner  
Office of the Privacy Commissioner of Canada**September 2003 – June 2007**Director of compliance  
Office of the Information and Privacy Commissioner  
of Alberta

mistakes and personal data has been sent to the wrong address,” says Denham. “We act on that; we have good controls, but no organisation is 100% perfect and never going to lose data or share data inappropriately. What we’re looking for is not perfection, but the capacity to comply with the law and take appropriate action and redress when something goes wrong.”

Denham feels that other industries could learn from researchers when it comes to approaching data protection in a balanced way.

“I think the research standards are a model for the way forward in figuring out and balancing the legitimate interests of an organisation to use data, and the legitimate interest of an individual to their privacy,” she says.

“The research community has a blueprint for weighing those two – sometimes competing – strong public interests. There is a lot that researchers can show to companies that are trying to figure this out for themselves.

“It’s in their DNA. Companies that have been in the research business for a long time have dealt with data-protection issues. Now we are moving into a scale beyond where we were before, but the same principles apply: fairness of data processing; transparency for individual consumers; that people understand what’s happening with their data, and so on.

“Because the good players in the research industry are doing the right thing already, the new rules in the GDPR – and the use of new technology – shouldn’t change that game.

“That’s not the case for other industries that are just discovering the value of data for the first time.” ■



# A captive

Techniques to measure audiences and advertising effectiveness are increasingly sophisticated, but the challenges of cross-platform viewing – and a lack of common standards – mean research is needed more than ever to get to the truth of what people think. By **Tim Phillips**

**In a 1982 study designed to show how advertising affects sales** behaviour, research company Information Resources Inc (IRI) identified locations in the US with a single cable provider and a grocery store that accounted for 90% of all food purchases. It then performed an experiment in which TV advertising was manipulated so that half the families saw one set of ads, and the other half saw a completely different set. The 3,000 households used ID cards to log their purchases.

The result would not have been a surprise to John Wanamaker, who famously claimed that an unknown 50% of his advertising budget was wasted: “In 360 tests in which the

only variable was advertising weight – the amount of television advertising to which consumers are exposed – increased advertising led to more sales only about half the time,” concluded Magid Abraham, at that time president of IRI and, later, a founder of comScore, in the *Harvard Business Review* in 1990. He warned advertisers not to assume that all advertising worked, or that the effects of their campaigns increased over time – both were rules of thumb that, in the absence of sophisticated measures of effectiveness, were widely believed at the time.

Today, few marketers would assume that advertising offered



# audience

guaranteed positive return, or deny the existence of diminishing – or negative – returns to campaign saturation. Our ability to measure audiences and effectiveness has been transformed by online panels, passive measurement and emotional response tracking.

We might have more tools in 2017, but the complexity of the problem is exponentially greater. There's a cross-platform measurement challenge: how do we know how many times each person has been exposed to an ad and, in the digital environment – where, according to comScore, 74% of people use the internet on more than one platform – how do we understand what a

person watches, rather than just counting what a device displays?

There's also the question of who does the counting and auditing when publishers and platforms measure themselves according to different standards. For example, Facebook considers an ad viewable if it is on screen. Twitter charges marketers if the ad is 100% in view for three seconds. But GroupM bases its measurements on 100% of the ad being visible for 50% of its duration, with audio on – and by the Media Rating Council (MRC) standard, at least half a display ad must be visible for one second to count as being 'viewed'. It is two seconds for digital video.

Then there's the challenge of measuring the effect of the advertising on the business. Without some model of how viewers behave, or knowledge of what they think, we can't estimate effectiveness in moving key performance indicators (KPIs), or in creating a sales-based return on investment (ROI).

If some effects are easier to measure than others, do we end up creating advertisements that pander to those statistics? Should we try to attribute ROI? Can emotional measurement be more effective than rational measurement as a predictor of KPI or sales uplift – and for what type of advertising? ▶



## RAISING EYEBROWS AND RAISING SUBSCRIPTIONS

In 2015, *The Economist* found that its circulation had begun to plateau. Its iconic 'white on red' billboard execution had, for many years, positioned the magazine as the go-to title for businesspeople. "The downside to this success was that many people outside of this group felt alienated from the brand," says Michael Brown, insight director at UM Insight.

*The Economist* engaged creative agency Proximity London, and media agency UM London, to design and execute a new programme, to reposition it with some eyebrow-raising copy: 'Bad back? Do it doggy style' was one example, about research on how to copulate in comfort. In its desire to position *The Economist* as a publisher for those beyond its

stereotypical readership, the team identified younger readers as a golden target. Its digital advertising would show online banner ads in relevant news contexts, with punchy copy, in an environment where young people habitually graze. If the campaign worked, prospective subscribers would click through a display ad, read a free article on the topic in *The Economist*, and have what research identified as an 'Economist Epiphany' – a key driver in converting new subscriptions.

*The Economist* used Mediabrands Marketing Sciences to deliver its digital advertising evaluation. "As media researchers, advertising performance evaluation is our bread and butter," says Brown,

who decided on a cookie/tag approach. Each creative execution within the initiative – from online display banners to ads in Facebook – had a simple piece of code (a 'tag') written into it. Research Now's online consumer panel uses cookies on its devices that watch for the tags.

The core KPIs were: relevance; intention to subscribe; recommendation and intention to share content; plus a social buzz analysis, with sentiment and context interpretation through Brandwatch. On one hand, *The Economist* wanted to drive subscriptions; on the other "it was especially critical that we measure globally and robustly, in order to make sure that some of the cheekier or more playful creative that we ran did not alienate either

our prospects or the existing reader base", says Mark Cripps, EVP of brand and digital marketing at *The Economist*.

He adds that the campaign, through regular measurement, was able to optimise the activity in real-time by changing creative and placement.

"To provide a sense of the programme's success, in its first year alone it was exposed to millions of prospects, drove more than 64,000 new subscriptions and delivered £57m in lifetime subscriber value," Cripps explains. This was 25 times the investment. "The approach has allowed millions of new readers to discover our content, and the way in which the programme was evaluated was a key factor in maximising this outcome."



▶ **A single source of truth**

One of the advantages of the simplicity of IRI's experiment was that all the data was first-party, collected at the respondent level. This is also one of the benefits of the ADimension suite of products that Research Now offers its clients – but at a far more nuanced level.

“We have two products: one for audience validation, the other to measure reach and frequency,” explains Liam Corcoran, Research Now vice-president of advertising and audience measurement. “But we also help our clients to understand which is the best-performing channel for their campaign. The real benefit when we measure is that we have a single-source panel.”

Research Now's knowledge of its panel is deeper than most. By using partners such as Avios, Nectar and Trainline to recruit panel members it knows a lot about the preferences and habits of its panel, not just their

“ **A multiplatform, multichannel world creates questions about how difficult it is to measure** ”

demographic data. On average, Research Now's panel has 350 attributes linked to a single person – for some, it has up to 600. Added to that, it can track the digital behaviour of panellists using first-party cookies; in the UK, it uses 300,000 device IDs on 110,000 panellists – so it doesn't just provide granular results on how a campaign is changing KPIs in a particular segment, but can also discover which devices are influential in doing it.

This has proved to be unexpectedly informative. In 2015, for example, Research Now did an experiment that might be considered a more-sophisticated descendent of cable

splitting. It tracked device use and change in KPIs for a controlled experiment, featuring 18m impressions of campaigns for retailer John Lewis and car manufacturer Seat, across 18 publisher sites. It manipulated which advertisements the respondents were exposed to – and on which platforms – and found that exposing consumers to advertising across two platforms was powerful.

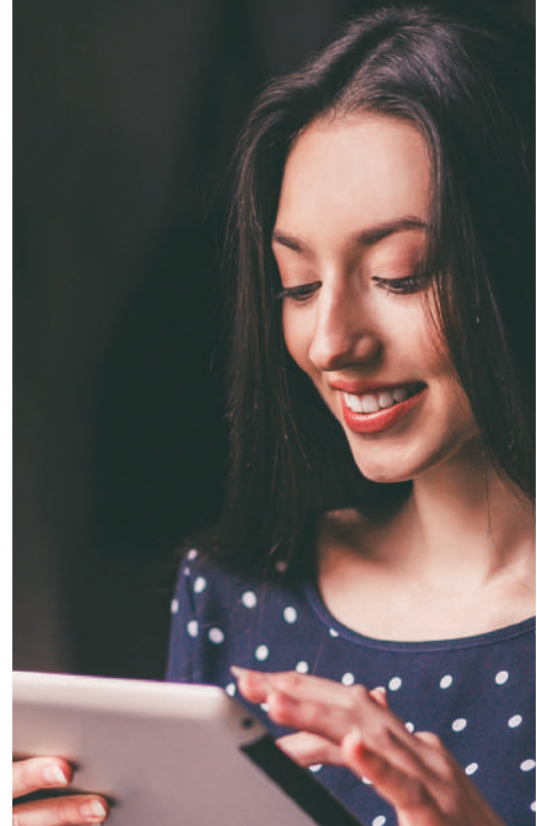
When the ad was viewed on two devices out of a desktop computer, tablet and mobile, awareness rose from 20% to 60%. Meanwhile, consideration went up from 6% to 30% and recommendation 0% to 15%, while 52% said they would think differently about the brand, compared with 5% who were exposed on just one device.

This is just one example of how a multiplatform, multichannel world offers huge advantages to advertisers who use it well – but it also starts to create questions about how difficult it is to measure. Research Now can track in-app use using its panel, but this is not the case for social media. “The biggest challenge we see at the moment is on platforms such as Facebook and Instagram,” says Corcoran.

Facebook's data policy tells users that: ‘We may provide these partners with information about the reach and effectiveness of their advertising without providing information that personally identifies you.’ It won't pass on what it defines as personally identifiable information. “Therefore there's a whole channel we can't measure,” Corcoran explains. “We feel frustration about the consistency of approach. But we supply first-party data, from a single source, so we can be sure the data we have is of good quality.”

**Transparency and harmonisation**

Phil Shaw, a director at Ipsos Connect, understands the consequences of this for brands: ▶



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▶ “Large advertisers, such as P&G and Unilever, and ad agencies are concerned that there are publishers who control their own platforms and report their own results. They are wanting to see more independent verification.”

It’s impossible to measure the effectiveness of advertising unless we know, with some consistency, who has seen it. But the various methods by which advertisers, broadcasters and publishers work

**“ If you argue brand advertising isn’t working on digital platforms, you need to poke a stick at the measurement ”**

together to measure audiences in the joint-industry currencies have long been controversial. Measuring the impact of advertising across purely digital channels is hard enough, but bring in radio, TV, press or out-of-home – all of which, inevitably, acquire data in different ways, and some of which mix passive measurement, surveys and diaries – and it is impossible to

ever be confident that the numbers are consistent.

Some of the measurement problems – for example, how long we need to look at an advertisement for it to count – are subjective. But critics point out that numbers are not a basis for decision-making unless reporting is audited and transparent. Sue Unerman, chief strategy officer at MediaCom UK, has been “harping on about it for a number of years”.

“Some people count one-second views as a ‘view’,” Unerman says, “Our own data shows that, for every 20 ads served in [Facebook’s] news feed, only one is watched for more than 10 seconds.”

This research comes from GroupM’s article ‘Video: the battle for the billions’, published in its in-house magazine, *Interaction*, in February 2017. It calls the way in which video views are measured “nonsensical”. Unerman agrees with this criticism.

“If you argue that brand advertising isn’t working on digital platforms, then the first thing you need to do is poke a stick at the measurement system, rather than just focus on direct-selling ads, because they seem to work better.

The industry is at fault [for the poor standard of audience measurement]. The lack of a joint stance on this – which has continued to be the norm since the day I started out in this so-called industry – needs wholesale rethinking. I expect some [of the audience figures I see] are over-reported and some are under-reported, but I just don’t know. The problem is the lack of accuracy.” However, Unerman has praise for the way in which broadcasters are working to make TV ratings accurate and transparent (See box, Barb Dovetail Fusion).

Lynne Robinson, research director of the Institute of Practitioners in Advertising (IPA), emphasises the need for transparency to create consistency, but says it won’t be a quick fix. “Whenever anything new begins, you have to start to develop standards,” she says. “We are in the process of going through those standards, of agreeing to those standards. In terms of video impact, we’ve worked with Barb [the Broadcasters’ Audience Research Board] and Jicwebs [the joint industry committee for web standards] to develop a whole set of definitions that are available for everybody to use. But everybody ▶

## THE MISTAKES YOU NEVER MAKE

Pre-testing has well-known problems, not least that it has a bias for short-term campaigns – so pre-tested campaigns underperform the average sales effect by 7% after one year, and by 10% after two, according to the IPA’s report *The Long and The Short of It*. The authors conclude that “emotionally focused pre-testing techniques should overcome this problem, but the onus should be on the suppliers to prove this”.

Realeyes is one of those suppliers. It uses facial recognition to track respondents’ emotional response to advertising, which might not be captured in a conventional survey. It claims 75% accuracy in identifying TV ads with high or

low sales lift, and 67% accuracy in identifying charity ads that will encourage high donations.

“The beauty is that we know exactly how the respondents are feeling at that moment,” says Peter Haslett, director of customer development at Realeyes. “We can say to the client, here’s what did it, here’s why, and who.”

For example, the most-watched advertisement of the 2015 Superbowl was Budweiser’s ‘Lost dog’, in which a cute puppy is saved from a wolf by horses. With each slot selling for around \$4m, this is a big bet. “It’s adorable,” said *USA Today*. “Budweiser’s little pup has won over the world’s hearts,” added *Business Insider*, based on the explosive social

media reaction. But the little dog was not seen again at the next Superbowl, having been judged a commercial flop.

Why? Haslett fires up the ad in the Realeyes dashboard: using a Realeyes panel it scores 10, 10 and 10 for Retention, Engagement and Impact with female viewers (with a skew to over-35s), and 3, 5 and 3 among males along the same dimensions. Pre-testing using emotional response would have spotted that the people who statistically are more likely to share videos about a dog loved it, but those who buy Budweiser instinctively hated it.

Realeyes does testing by allowing advertisers and researchers to self-serve. “They

take the video, and drag and drop it into our dashboard,” he says. “They specify the location, the audience they want to use, and any category needs.”

One of the effects of the Realeyes method is that it can aid performance measurement by predicting the likely effect on specific KPIs early in the campaign, or create audience response data in custom segments. In this way it helps to spot diminishing returns, or optimise media buying.

“We can run it during a campaign and say: ‘Here’s where you were earlier, here is where you are now,’” Haslett says, “In the past, I’d only run into the media people by accident. Now they’re there, in the room.”



► has their own first-party digital data. It's really trying to get some harmonisation on the data definitions. The underlying issue is: are they transparent about how they counted something?"

Robinson references a recent speech by Marc Pritchard, chief brand officer at P&G, at the Interactive Advertising Bureau's (IAB's) annual leadership forum. He criticised the media supply chain – which he called “murky at best, fraudulent at worst” – and the disparate standards of self-reporting on digital platforms.

“The gig is up,” he said, before adding that, by the end of 2017, P&G would insist on external verification of audience numbers using MRC standards, or it would pull its advertising.

“We've come to our senses. We

**“ It's about agreeing a transparent way to trade. If media owners do not do that, they may lose revenue ”**

realise there is no sustainable advantage in a complicated, non-transparent, inefficient and fraudulent media supply chain,” Pritchard concluded.

Robinson has sympathy with his view: “It's up to advertisers and agencies to demand transparency and, hopefully, harmonisation of measurement. I think we want transparency. Harmony would be wonderful, but the initial phase is transparency on what you are counting. It isn't too hard to do; it's a process of industries maturing and agreeing a transparent and efficient way to trade. If media owners do not want to do that, then they may lose revenue on the back of it.”

Where there is an information gap, others move to fill it (see box-out, ‘Econometrics in the real world’). In

the UK, Unerman says that MediaCom's econometricians create a sustainable advantage by filling this transparency gap, and finding where there is advantage for advertisers either through inaccurate reporting or erroneous interpretation of what the numbers mean in reality.

“At MediaCom, we make evidence-based planning decisions,” she says. “We have our own data, and we work on the basis that audience research from the media bodies serves as a trading currency. We can deliver exponential improvements by using this to drive our planning, rather than relying purely on industry research.” But Unerman adds that she would be willing to swap some of this competitive advantage for a higher, common standard of measurement.

“If industry measurement improved, everyone would benefit. In the long term, advertising is a very important revenue stream for media owners. They are struggling to maintain quality and, if the industry as a whole was working in a positive spiral, that would benefit the media owners, as well as our clients.”

### Gen Z knows what it likes

In the absence of detailed reporting on how people consume advertising, there is the potential – as Unerman warns – for media owners to maximise short-term revenues at the expense of irritating the rest of us. Duncan Southgate, global brand director, media & digital at Millward Brown, runs the yearly AdReaction survey, which this year focused on the habits and preferences of the emerging consumers in ‘Generation Z’ – and how they differ from millennials and generations X and Y.

“Even if there are flaws in the way that we measure audiences, or if the currencies are still flawed, then – using this – at least we can think about that quality decision from day one,” he says.





Millward Brown has a global reputation for measuring the impact of advertising, but this project aims to investigate the global trends that underpin those responses. From its inception 16 years ago, it has focused on the changing responses to digital, and how it compares to what we still call 'traditional' formats.

The long-run view of AdReaction shows that digital advertising is too often an irritant. In 2001, the survey was focused primarily on pop-up ads. Hard to imagine, but – at the time – they were as popular with consumers as TV ads, and TV ads were less popular than billboards, radio and print. But, by 2004, digital had dropped behind the other formats, and has not closed the gap since. “By 2004 we were already seeing massive variation in attitudes to online ads,” Southgate points out. This was partly a reaction to the appearance of intrusive formats such as pop-unders. “While the industry has generally moved away from the worst offenders, other intrusions – such as non-skippable pre-rolls – have taken their place.”

In the latest survey, which now covers 39 countries and 24,000 interviews, there's a nasty surprise about the digital generation. “We expected Generation Z to be more accommodating to mobile ads,” says Southgate. “But they're not. Despite spending more time on mobile devices, they are actually more negative.”

Southgate welcomes Google's decision, announced in February, to ban 30-second, non-skippable pre-rolls from YouTube. “We're in danger of undermining the people's acceptance of advertising. Gen Z are more discriminating.

Mobile and digital aren't just one thing, but a massive variety of skippable ▶

► and non-skippable video, display, and streaming, in page, and so on. What came through really clearly was that gap between how positive they [Gen Z] are towards the best formats, and how negative they are towards the worst.”

If the effectiveness of advertising is misrepresented – by accident or design – Millward Brown’s research implies that Generation Z will become increasingly resistant – for example, by using ad-blocking software. In February 2017, 22% of consumers used ad blockers, according to research conducted by YouGov for the IAB. While the IAB reports that ad-blocking levels have stabilised, it has called for a “better, lighter and more considerate online advertising experience” on the back of this research.

“Because Gen Z are used to interacting with anything and everything, having so much choice makes them very selective about what they absorb,” Southgate warns. “Millennials are actually becoming more positive to digital ads than the Gen X guys were. The gap is widening again. So it’s a perception being dragged down by a few formats that we wish weren’t in existence.”

### **Perverse incentives and short-term effects**

Even if we measure well, we also have to interpret digital data, and it is problematic to link measured behaviour to outcomes. At the very minimum, the client needs to know which outcomes it wants to measure – and not be distracted if it doesn’t move the needle outside those KPIs. This hides the problem that a KPI has many real-world consequences.

When we measure, we incentivise the behaviour that we are measuring. Pre-testing can fail because it emphasises certain types of response (see box-out, ‘Realeyes’) and econometric measurement can give misleading results (see box-out, ‘Econometrics’). Shaw, at Ipsos,





highlights the problems of media buzz as, for example, an indicator of real-world consequences for FMCG brands. “How many people are going round having long conversations with their friends about biscuits? It just doesn’t happen. Just because you can do something doesn’t mean you should do it.”

Digital measurement also creates perverse incentives, adds Shaw. “If you’re going to optimise to click-through rate, you’ll end up serving campaigns in which the ads that get the most budget are the ones that have the best click-through. But click-through rate has a correlation of virtually zero with anything meaningful.”

Another perverse incentive: many advertisers, Ipsos finds, want viewers to watch their ads for as long as possible. In research with Google, Ipsos discovered that there was a single factor that caused skipping: a brand message – leading some clients to bury theirs. “If you’re in the entertainment business, then

great,” says Shaw, “but if you’re in the business of selling products or building brands, you need to optimise the videos that deliver the most brand impact.”

For advertisers who want to drive conversions online, the advent of retargeting and other conversion-driven technologies has been an

“How many people are going round having long conversations about biscuits? It just doesn’t happen”

advantage, simply because the conversion rate can drive the cost of advertising by design. Jon Lord, commercial director for adtech company Criteo, sees the way the industry works as creating efficiency without research. For Criteo, the results that advertisers get from their campaigns decide the price that their algorithm offers in the

## BARB DOVETAIL FUSION

Barb is evolving the way it measures television audiences with Dovetail Fusion, a project to evaluate the total reach of programmes and advertising campaigns across TV sets, personal computers and tablets.

Fusion is due for delivery in March 2018.

Justin Sampson, chief executive of Barb, told

Impact about what Dovetail Fusion is designed to deliver, and the challenges to rigour and transparency that it has to solve.

### What is Dovetail Fusion?

We’re collecting data from 5,100 homes every day and we’re now collecting census data from TV-player apps – so every time somebody in our panel of homes, so that we can get evidence of how people are watching on computer devices; we’ve now got meters on personal computers and tablets in about half of eligible homes. Third – which is the contract we’ve just announced [Kantar Media won this work] – we need to actually develop the fusion of the data, and

### How do you do that?

The first deliverable was to generate online census data, and we can put a tick next to that one. The second was to install software meters in our panel of homes, so that we can get evidence of how people are watching on computer devices; we’ve now got meters on personal computers and tablets in about half of eligible homes. Third – which is the contract we’ve just announced [Kantar Media won this work] – we need to actually develop the fusion of the data, and

there’s now a 13-month development period before it will be ready for launch.

### What will you report?

There will be two file formats. The first is equivalent to the daily data file we produce already, with audiences by programme, but we will be delivering that for all online viewing. The second is a respondent-level database, to get more flexible and detailed analysis. So if you were Unilever and looking at your Marmite campaign, you’d be able to see what the reach and frequency was for your – I hate the word traditional – linear campaign. Then you would be able to see the reach and frequency for the on-demand part, and the combined reach and frequency across both parts of the campaign.

### You’re crunching two different types of data together. How transparent will you be about how you do it?

For an organisation such as Barb, objectivity and transparency is fundamental. So we have to develop a fusion that is explicable and understandable. People will not necessarily inspect the algorithms, but they can see the process and how it’s been done and know it’s not favouring one type of viewing over another.

### Will this help advertisers and media buyers understand audience fragmentation?

This is an issue Barb has had for 35 years. The researcher’s answer to fragmentation is to build bigger online samples. How can we build bigger samples in a cost-effective way? Can we access return-path data from set-top boxes, and integrate that with our data? That would be a very cost-effective way of generating large samples of device data.



► auctions for inventory. “Our technology is designed to generate clicks that lead to conversions,” Lord says. “Our ROI is very focused on driving conversions, whereas other providers may work on a CPM [cost per thousand] basis. We’ll always work with an ROI goal. The beauty is that – because it’s an auction model – we will lower our price if our advertisers don’t hit their target.”

Criteo is also working to be as transparent as possible about how it achieves its results. “A lot of our

advertisers now have a much stronger view on measurement. They are more focused on generating performance from all their channels, and it sets us up to take more share of wallet than we had historically,” says Lord. “In many meetings I have now, we discuss with advertisers what data they want to share, to create key insights to help them understand customer behaviour within their attribution platforms.”

Adtech at its best has become an extremely efficient way to maximise

ROI for one type of advertising. But the IPA’s report, *The Long and The Short of It* – written by Les Binet and Peter Field – uses long-term data to recommend a 60–40 split between creating desire and satisfying demand. It points out that too much of one undermines the other, and observes a drift towards what it calls ‘rational’ campaigns.

Unerman, at MediaCom, argues that some of the growth in response advertising is an unintended consequence of it being easier to measure with certainty. Advertising that creates desire and advertising that satisfies demand can be of equal quality if they are doing what they are designed to do, she says.

“You can very quickly get bedazzled by rational campaigns,” Shaw warns, “I think, now, many advertisers are saying: ‘Well, that’s fine, but what did it do for my brand? Am I building long-term brand equity? Will it increase sales in the future?’ Those are questions that most of the digital metrics can’t answer.” ■

## ECONOMETRICS IN THE REAL WORLD

If you want to understand the value of a campaign, then a sophisticated, econometric market-mix model is a powerful – and pervasive – tool. But Pointlogic offers the opportunity to model at the respondent level instead, and aggregates what it learns to create a bigger picture. This means that Pointlogic’s models can forecast the effect of advertising on brand KPIs such as consideration, and test and optimise media plans against these KPIs.

The company was founded 25 years ago, by a mathematician in the Netherlands, and was acquired by Nielsen in 2016. “Being part of Nielsen opens up many opportunities for us,” says Phil Spencer, business director UK at Pointlogic, “It has some huge data sets, and those are untapped resources for the sort of work we do.”

The two key features of Pointlogic’s approach are that it

uses respondent-level data rather than aggregate spend on each channel, and it uses Bayesian analysis – in which data is used to refine existing beliefs – to create more appropriate estimations.

Spencer explains the attraction of the respondent-level approach: “The standard market mix model running over three years has only about 150 data points, if you collect data once a week,” he says. “But if you have 1,500 respondents each week, you have thousands of data points to model.” A small number of data points, modelling many potential causes, will mean that trying to establish which actions caused which effects may lead to large errors.

This is the approach that Pointlogic employs with ESPN, which uses its Valuepoint product to model the impact of advertising across all of its vehicles for its top 26 advertisers. “ESPN doesn’t have the sales

data for its advertisers, but it wants to be able to have informed conversations,” Spencer says.

Valuepoint takes the individual responses from panellists on media consumption – and measurement from digital sources – and matches that with the media schedules of advertisers. It combines those with KPI scores on measures, such as awareness, that are captured in the tracker. It can then estimate how exposure to a campaign on each platform contributes to an awareness uplift, and when there are diminishing returns.

Finally, it aggregates these results across platforms to find not only the ROI in terms of effect on KPIs for past campaigns, but a predictive tool that allows planners to test ‘what if’ scenarios: for example, with a fixed TV spend, what mix of other platforms would achieve the highest uplift. ESPN, for example, can show its advertisers

hypotheticals: not only plotting the speed of change in awareness against exposure across all its channels, but also how one platform complements or drives the other in detail.

Spencer argues that conventional media-mix models often fail to capture nuances in how advertising performs, not least because the attribution models use some brave assumptions. “In some analysis, anything that can be connected back to a sale online is assumed to be causal. If there’s a cookie, and somebody buys it, it gets attributed to that platform. And just because someone does a transaction on a website, the industry often attributes it to digital advertising. That’s a fallacy, but it persists,” he says.

“The problem, for econometrics in general, is not just to stare at columns of numbers, but to think about what it means in the real world.”





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# Insight in Britain's second city

In the midst of slashed budgets, as a result of government austerity measures, **Steve Rose**, head of insight at Birmingham City Council has to justify his role and ensure the insight helps services in a climate of continual change. By *Rob Gray*

**A**s the largest local authority in the UK, it should come as no surprise that Birmingham City Council is wrestling with some very big problems. The age of austerity has exacted a heavy toll on budget and headcount at a council responsible for a city with more miles of canals than Venice and that is home to 1.1m people. Its population has swelled by around 100,000 since 2004.

While the city has grown, however, funding has shrunk. Since 2010, Birmingham has been forced to slash £590m from its budget as a direct result of unprecedented cuts in the amount of grant awarded by central government. This equates to a 34% reduction in grant. One consequence has been widespread job losses, with the number of staff almost halved since 2008, from 24,000 to 12,500.

Unfortunately, there is more retrenchment to come; the council anticipates having to cut spending by a further £180m by 2021.

Of course, such extreme belt-tightening measures have an impact on service provision. In a December 2016 interview with *The Guardian*, the council's chief executive, Mark Rogers, warned of the "catastrophic consequences" of austerity on the provision of social-care services. He added that the council had reached "a deadly serious situation for too many vulnerable people who face the prospect of not having their needs met".

It is within this testing context that the head of insight, Steve Rose, and his team operate. Rose reports to strategic director for change and corporate services Angela Probert, and – as well as running ongoing research programmes – a key part of his remit is to provide the leadership team with reliable data and insight, to inform vital decisions.

"Some of the work we do is at a strategic level," says Rose. "It will help redesign what happens overall. We have a deliberate demand-management-based approach – that is to say, what are the key outcomes the council needs to achieve? We bring different parts of the council together to think through how we achieve those and what people do, as the key components of that and how they link together.

"We go through a series of workshops, bringing data and evidence into that, so at the end we can come up with a series of proposals that can best meet the citizens' needs, not just the accountants'."

Rose heads an insight team of "seven and a half". In addition to himself, there is: a project manager; a database administrator, who is very accomplished with data; a qualitative research specialist, able to turn a hand to other research methods; a senior analyst; and two other analysts. The 'half' bolstering the core team is someone who helps run the consultation engagement function, but who spends some of their time working in a different capacity for the council.

## CV

STEVE ROSE

**September 2009 – present**  
Head of insight, Birmingham City Council

**May 2008 – September 2009**  
Head of information management and business development, Gambling Commission

**December 2007 – May 2008**  
Community safety partnership manager, Rugby Borough Council

**September 2002 – December 2007**  
Information and intelligence manager, West Midlands Police

**October 2000 – September 2002**  
Geographic information systems analyst, Mott MacDonald

**September 1998 – September 2000**  
Graduate trainee, GUS, then sales logistics analyst, Avon



## Pulling levers

After seven years in the role, throughout which the council's finances have been under intense pressure, Rose is fully aware of the need to justify the contribution of the insight team. He concedes that, at some point every year, his department – like any other – is at risk of cuts. At the same time, he argues, the turmoil and continual change mean the role of rigorous insight is more vital than ever.

"From an insight and a research point of view, that level of change is an opportunity. You can't just fiddle around the edges. It's about changing what you do – really thinking it through. You can't 'salami slice'.

"We are proponents of looking at what outcomes need to be achieved. What are the key levers to do it? You can't just pull all the levers any more and see the crane arm go up; you have got to know which is the right one to pull, because you can't afford to pull them all. ▶

“ You can't afford to just pull all the levers any more. While we are sensitive to the fact there is turmoil, it is a very interesting period ”

## BIG BIRMINGHAM BIKES

The Birmingham Cycle Revolution project is designed to make the city safer, healthier, greener and less congested, by encouraging cycling as an everyday way to travel. Its specific goal is for 5% of all trips in the city to be made by bike by 2023, rising to 10% by 2033.

Sitting under this umbrella is the revolutionary Big Birmingham Bikes scheme, through which the council has given away 4,000 Raleigh bikes to people keen to cycle, who may not otherwise be able to afford it. To qualify for a free bike, residents had to be at least 16, possess a valid Birmingham City Council leisure card, pass learn-to-ride Bikeability Level 2, and take a cycle maintenance course.

Boosting fitness and mobility – among other things – and helping people from deprived areas find or

get to work were key aims. But the initiative has also been structured to generate large amounts of useful data.

Each bike is fitted with a GeoNode tracking device, manufactured by intelligent asset management specialist WRD Systems. The device is hidden in the stem of the bike and sends out signals when in motion.

“This has yielded a lot of data, which in itself has huge value,” says Rose, “but is really innovative, so has brought a lot of interest. There are academics crawling over us, wanting to do stuff with the data.”

Rose and his team are analysing whether the scheme is a worthwhile investment across a variety of measures – from impact on health levels and carbon reduction by cutting car journeys, to generation of data to assist in route optimisation.

Figures for distance cycled are being plugged into World Health Organization models to assess whether there is a positive impact on comorbidity levels. Meanwhile, captured journey data “can go into much more sophisticated modelling – how you track and manage, and strategically plan, a city. Potentially at a fraction of the cost of the more traditional way.” When the Big Birmingham Bikes data is overlaid on hotspots data from Strava – the cycling app beloved of the lycra-wearing brigade – “they glow in different places”.

Interestingly, bike theft has not been a problem and the scheme is highly valued by its users. Not all the data has been crunched yet, so it's premature to say whether there has been a cost benefit to the council. But Rose believes there will be.



▶ That is about evidence and data – about creating evidence to understand what works if it doesn't exist. So while we are very sensitive to the fact that there is turmoil, it is actually a very interesting period."

Rose is proud to portray the insight function as a team that "goes deliberately poking our nose into everybody's business". This busybody mentality serves an important purpose; the standpoint is that insight never pretends to be an expert in other departments' business, but it does have expertise in helping them to look at their business in the mirror. This approach has been applied across council services – from social work to health and leisure; road and travel to waste and recycling.

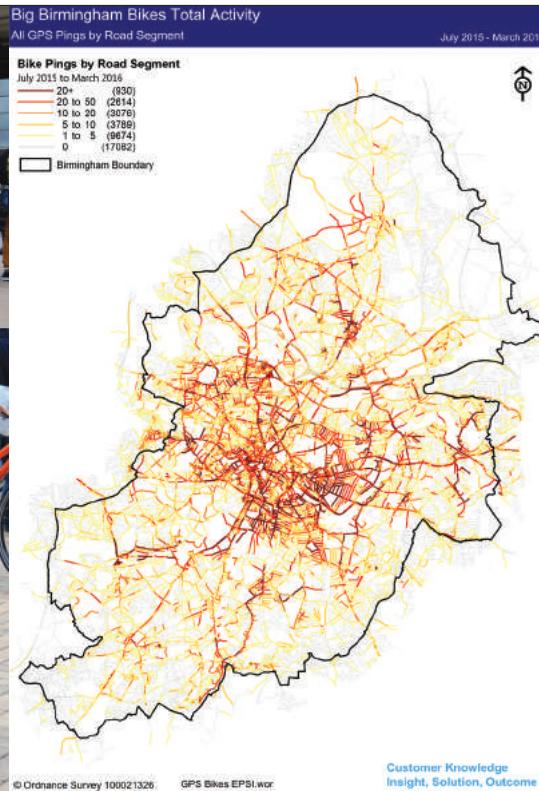
Noteworthy projects over the years include: route optimisation of the fleet and waste domestic-refuse collection; leading the evaluation of a multi-agency, common assessment approach to troubled families; trialling the use of a loyalty reward scheme to achieve customer behaviour change; research into fostering; adoption and corporate parenting; and trialling the use of social media to offer self-help peer support for drug and alcohol misusers.

Recently, the team has been heavily involved in consultation and engagement work on the future of community libraries. Focus groups have been held to gain a deeper understanding of what people use libraries for, and why. One surprising finding, reveals Rose, was a wider use of local libraries by students than expected.

"What we did was push back and say, 'there is need for change'," adds Rose. "And what might that change look like? Or how can we help facilitate that? Can a library do more? Can it be something slightly different in a community – offer different things?"

Earlier in his career, Rose spent some time working in geographic information systems (GIS) and spatial analytics, and has put some of this knowledge to use on a route-optimisation project for waste trucks picking up household rubbish. This involved working with specialist consultancy Field Dynamics, piecing together all the GPS-tracked route segments in the city like a big jigsaw, and using the data to see if new routes could be created that were shorter than those generated using traditional methods.

As it happens, Field Dynamics (formerly Dotted Eyes Solutions) is based in Birmingham; however, Rose is at pains to make clear that all ▶



**LEFT** Data from the Big Birmingham Bikes scheme is being mapped to help with city planning

**FAR LEFT** The council hopes the free bikes will help reduce traffic levels and promote healthier lifestyles among residents



► procurement is conducted in line with rigorous public sector standards, and all supplier opportunities are advertised on the ‘Find it in Birmingham’ online portal.

Birmingham is also involved in Seta – a project funded by the European Union (EU) as part of its Horizon 2020 programme – that aims to find smarter and more sustainable solutions for moving people around cities. Huge amounts of data are being gathered, both using sensors located across Birmingham and in two comparable metropolitan areas: Turin and Santander. The project is due to run until February 2019 and entails data analysis with the University of Sheffield and Sheffield Hallam University.

Among Rose’s regular responsibilities are: a residents’ survey/people’s panel; the digital consultation and engagement platform Be Heard; and data visualisation related to open government, based on Tableau smart dashboards. Gratifyingly, the dashboard produced to ‘live map’ the 2016 election-night results in Birmingham was seen by 30,000 people and honoured globally as Tableau ‘Viz of the Day’.

### Safeguarding services

There has also been a great deal of work in health and fitness, including a second major EU project, Urbact Vital Cities – a programme intended to make cities places where people are active. Other initiatives – such as Big Birmingham Bikes (see panel, page 44) – dovetail nicely with this, as does the Active Data project with Sport England, which uses data to

support free-to-access physical and community activities. “We need to know who is using the parks and cycling around the city,” says Rose, “so that we can show that those things need to be kept up, looked after and provided.”

One way in which this data is captured is by asking citizens to give their details when signing up for park fitness sessions. They are then issued with a fob and their attendance is recorded automatically on an iPad when they turn up for a workout. “The logic behind that is, if you give us your data, we can help prove this is a valuable thing to do – and, therefore, we can provide it.”

A Better Points system has been introduced to encourage people to log their activity in the city – such as cycling or walking the dog – in return for incentives. Hard evidence is being gathered and used to safeguard the facilities and services that matter.

The insight team is expected not only to bring objective facts to bear on decision-making across the broad sweep of council services, but also to demonstrate its own cost benefit to the organisation. This can be challenging, but Rose acknowledges the importance of justifying his team’s contribution, given the enormous financial pressures on the council.

Going forward, Birmingham is recruiting a chief information officer and putting in place a new Future Operating Model. Details are not yet clear, but it will probably involve bringing together certain support services. How this will play out is anyone’s guess – but in these difficult times of change, the need for robust insight is greater than ever. ■

**ABOVE** Birmingham City Council wants to use data provided by its citizens to make the case for protecting services

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# Spotlight on re

Penguin Random House owns some of the most famous brands in book publishing, but it's on a mission to reach new audiences and its insight department is at the centre of that strategy. By **Jane Bainbridge**

**T**hese are interesting times for book lovers; there's never been more fanfare around bestselling authors, more books being published, or more platforms by which to access stories. Earlier this year, book retailer Waterstones made a profit for the first time since the recession. Good times indeed. But against that, local authority budgets have been slashed by central government and one of the biggest casualties has been libraries, with hundreds closing across the country.

The landscape in which people are reading is shifting, and it is within this context that Penguin

Random House (PRH) is trying to reach new audiences and encourage as many people as possible to access its books.

The five-strong insight team at PRH, led by consumer insight director Louise Vinter, is certainly busy, and last year ran 88 projects across all of the company's brands – Penguin, Puffin and Ladybird being the main consumer-facing ones.

As well as its expertise and effort being recognised within the business, the insight department won Business Impact of the Year and was highly commended in the Best In-house Team category at the 2016 MRS/Research Live awards.

"Consumer insight is pretty established at Penguin Random House now," says Vinter. "If I had spoken to you a couple of years ago, it might have been that we still had to sell it in. But





authors for us; he has a prolific output. I have presented consumer research to him – he is very receptive.”

Penguin is a rarity in the publishing world, in that it is a recognisable brand in its own right. This can have advantages and disadvantages; while it is famous, people often associate it with classics – or, possibly, from reading Penguin books at school.

“What we’re trying to do is help the team here shape Penguin as a relevant, modern brand for consumers. It’s exciting, actually, working with the teams who have this great brand,” adds Vinter.

Penguin is a particularly strong vehicle for the company to reach younger and teenage audiences. Both finding new readers and shedding light on who reads and who doesn’t by identifying audience segments are crucial, and the insight team has been working for some time with its own segments in adults and children. These are available to everyone in the business via an internal website. “All of our research uses our audience segments as a framework and a language – it’s become really familiar to everyone in the business,” adds Vinter.

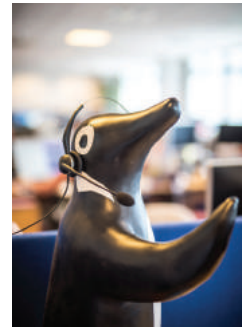
For example, two of Penguin’s segments are Pioneers and Chart Shoppers; both are heavy book buyers and love reading, but they have very different attitudes, behaviours and tastes.

Pioneers like books that challenge and provoke, or that offer new insights into the world. A typical Pioneer book would be Margaret Atwood’s *Hag-Seed*, a retelling of *The Tempest*, published in October 2016; or *Blitzed*, by Norman Ohler, a non-fiction title about the role of drug-taking in the Third Reich. “Pioneers respond to advertising that is different, disruptive and thought-provoking, such as the Penguin Little Black Classics and Pocket Penguins series, which simply gave a line from a book,” says Vinter.

Chart Shoppers, meanwhile, are more likely to stick to tried and tested authors and genres, particularly crime and thriller, and romance. “They buy a lot of books in supermarkets and are heavily influenced by price and discounts – but are still one of our most valuable audience segments. Typical authors read by Chart Shoppers include James Patterson, Lee Child, Lesley Pearse and Clive Cussler.”

The segments are important in highlighting that not everyone who reads a lot is the same. “Because we work in a business where everybody loves books and reading, there can be a tendency for people to assume – not necessarily through any fault of their own – that everybody thinks about reading in a similar way to them. What we have

LEFT Within PRH there are three categories of brand teams – publishing brands, authors and licences



# ading

now it’s widely accepted that consumer insight is beneficial in supporting intuition and expertise.”

Within the organisation, the brand teams – which fall into three categories: publishing brands, authors and licences – come to the central insight department when they have projects that need its input. The insight team works through a network of consumer insight experts in each of the eight publishing companies.

“They know we can be doing one thing at a time with them. We need to continue evaluating the impact of our projects, making sure we’re spending our time on the books or the questions we think will have the most impact,” says Vinter.

“We have worked on qualitative and quantitative research projects on a number of our big authors; sometimes these are presented to the writers themselves. James Patterson is one of the biggest



- ▶ been able to show through some of our more commercial reading segments is that there are lots of people out there – who love reading – who have quite different attitudes and priorities to people who work here.”

“Audio books are reaching more diverse audiences ... and appealing to those who are rediscovering books. Audience segments come in useful when deciding which books to put in the audio format”

### Focus on inclusion

Reaching wider audiences is all part of PRH’s inclusion work, and the company has set a goal to lead the industry in making publishing more inclusive by 2020. Later this year, Vinter and her team will run qualitative research to understand different audiences and how to reach them.

“The focus of our analysis so far has been on highlighting where particular books have successfully reached a wider audience, so helping make the commercial case for inclusion. For example, Guy Martin has enjoyed big success by appealing to an audience outside of London and the South East, and Malorie Blackman’s books reach a high proportion of black, Asian and minority ethnic (BAME) readers. It’s an area I feel passionately about for commercial reasons, but also to spread the joy and benefits of reading.

“PRH has launched Write Now, which aims to find and publish aspiring authors from under-represented communities and help them get their voices heard. So I’ve added the reader perspective, helping that team think about how we can also meet more diverse readers. It’s not just about publishing more diverse authors – it’s also about understanding the audience and the different things people want to read about. Are we reaching people in the right places?”

ABOVE As well as promoting classics, PRH looks to publish aspiring authors from under-represented communities



Format is also claiming a fair bit of Vinter’s attention at the moment. Audio books are reaching more diverse audiences – often an urban, younger, male one – as well as appealing to those who are rediscovering books. “It does seem that they are increasing the reading pool,” says Vinter. “A lot of people just listen at home, but it’s amazing how many people listen in their lunch breaks, or while travelling.” Audience segments come in useful when deciding which books to put in the audio format.

Another aspect of PRH’s audience work is its consumer closeness programme, aimed at encouraging people within the business to understand their customers better. It is particularly focused on lighter readers – or people who don’t read – and on reaching people outside of the London bubble.

“We have been getting people from the business to go to places outside of London and the South East – to talk to people and understand their lives. For example, if people don’t commute, they may not have seen book advertising. When you live in this London, South-East world, you don’t necessarily realise what’s going on in the rest of the country,” explains Vinter.

### Young readers

One of the busiest areas for insight is in children’s publishing, and encouraging children to read – and to maintain a reading habit – fits closely with PRH’s strategy of reaching new audiences.

Rosa Halford, consumer insights manager, is focused on the children’s market and has been working with the department, demonstrating the benefit of insight. “At every point – before we buy a book and when we’re finding the target audience, designing covers – there’s an insight voice, or people are aware of what they could do with insight at each stage,” says Halford.

Because children’s publishing and licensing is so trend-led, getting the team out and meeting



children is particularly important. For younger staff members who don't have children, the value of this is clear – but, interestingly, it's just as vital for members of staff who are parents, because the danger is that they assume their offspring are representative of all children.

“We need to make sure they meet kids from different backgrounds – not just from London, not just middle-class kids – and that they are being stretched in their perceptions of what's out there, and what's going on in kids' worlds,” adds Halford.

PRH has adopted a number of techniques for this, including shop-alongs with incentivised respondents. Halford also runs 'Detective Days' every month, when she takes randomly selected key members of the children's team to a location to observe and talk with youngsters in their own environments. For example, they have visited the Science Museum and Hamleys, and are planning a trip to the zoo. They are given a briefing pack, with prompts about things to look out for and eavesdrop on, or questions to ask – but it's all done with a very light touch.

“It gets them into a child-related context. It might not be that we're officially researching, but we're going into spaces that are relevant to them. It allows us to keep an eye on trends – what's popular and how different shops are displaying things. It's about being away from their desk and connecting with the consumer's world,” says Halford. “I want them to understand that it's about having an insightful mindset, a curious mindset, and understanding those clues – then being able to derive patterns and trends from those.”

There are multiple complexities around researching this market, not least that parents may be heavy book buyers for their kids, but have dropped out of reading themselves.

“We look to foster a love of reading from the word go, and that's where our pre-school, consumer-facing brand Ladybird is such a big opportunity,” says Halford. “We're working with the Ladybird team to make the most of that brand and reach the next generation of parents. It has huge nostalgia value, but we now need to make it relevant to those younger parents, and make sure we're bringing in diverse consumers.”

One of the biggest challenges for children's research is the very narrow age targets. While adult research may involve 16- to 34-year-olds, a typical kids' target group could be seven- to nine-year-olds – and being that focused can be expensive to arrange. Then there is the matter of safeguarding, which means the minutia has to be





LEFT Consumer insight is now 'pretty established' at Penguin Random House, according to Vinter

► considered. Halford cites having to slice grapes lengthways to avoid a choking hazard when offering a snack to children involved in a focus group. Simply getting to kids is hard because they are so busy – with school, homework and extra-curricular activities – so research is often planned for school holidays.

Finally, the fact that children change so quickly means “one-shot initiatives aren’t enough”. Halford says: “You can’t just do one big jazzy thing and then that’s it. You’ve got to make sure there’s a constant stream of fresh, up-to-date insights.”

### New methods

The PRH team is using multiple research methodologies depending on the project. There is classic research, such as its panel of about 4,500 people, which is managed by ResearchBods and has been running for more than three years.

The team has also used the Google Design Sprint method for testing new products on three or four

projects. This involves taking a team away from their jobs for a week and going through a set process to brainstorm ideas for working prototypes. The stages range from sketching solutions, building them and then testing them with real users.

This technique was used on PRH’s book-recommendation platform, Penguin Flipper – a core strand of Penguin’s Christmas digital marketing campaign, which achieved more than 30,000 ‘flips’ at Christmas.

“It’s not replacing concept testing and market research – it’s supplementing. Using this method has meant that user testing is brought in at this very early stage,” says Vinter.

The central premise for PRH’s business, and for insight’s role in supporting it, remains to get closer to readers – no matter what their book preferences or their reading moments of choice – and that requires broad and varied research techniques. ■

## PENGUIN PLATFORM

For many readers, Penguin is synonymous with Penguin Classics, but the company wanted the brand to be relevant and to reach new audiences, which involved researching the target group.

Initially, the insight team spent a lot of time looking at older teenage segments, to understand what a big publisher brand could offer them. They tested different designs for the brand – as well as


names and content – which all led to the creation of the Penguin Platform.

The fact that this age group is interested in a wide range of topics – including lesbian, gay, bisexual and transgender (LGBT) issues, politics and celebrity – strongly shaped the Penguin Platform and its content.

As the aim was to make the Penguin brand more relevant to a

new and younger audience, the Platform is only available in spaces where 16- to 19-year-olds hang out – such as YouTube, Instagram, Twitter and Snapchat.

It has created its own community, and now has 19,500 followers on YouTube, 15,500 on Twitter and 14,200 on Instagram. Interestingly 68% of Penguin Platform’s Twitter followers do not follow the main Penguin UK Twitter account.



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Water supplies are unlikely to be front of mind for many teenagers, but Wessex Water has an innovative approach to ensuring its future users engage with the industry and have a say in the business. **Ben Bold** reports



**T**he idea that the young should have a say in shaping their futures has become more pronounced in recent years. In 2016, the UK government launched a major inquiry into intergenerational unfairness, which is seen as engendering anger and fear among younger consumers, who perceive the state-pension and welfare systems as favouring the older generation.

That baby boomers control most of the country's wealth – having enjoyed secure, better-paid jobs, low property prices and free education – is another reason for young people to feel they have been dealt a raw deal.

Last June's European Union (EU) referendum exacerbated feelings of resentment, when the vote for Brexit was said to have been largely swayed by the very same older generation, with the youth bemoaning what they viewed as the forcible inheritance of economic and political uncertainty.

Against this backdrop of the old shaping the futures of the young, Wessex Water decided to speak with teenagers – the future generation of bill-payers and a group notoriously hard to engage with – to discover their ideas and hopes for the future.

### Engaging youth

The Bath-based company eschewed the conventional approach to reaching sixth-form students and, instead, sought to engage with them at a deeper level. It essentially formed a non-executive board of 21 teens and gave them a say in the business's future.

The aim was twofold: to understand what Wessex Water's future customer service would

# Giving tomorrow's adults a say in their futures

look like, and how it can be planned accordingly; and to grasp how some of the decisions the company makes today will affect future generations.

"They have grown up in the digital age; they have all got a smartphone; they may have completely different expectations in terms of service from our current customers," says Harriet Penrose, Wessex Water's customer and stakeholder engagement programme manager.

Penrose took up the newly created role when she joined Wessex Water in June last year, and the 'Young People's Panel' is her first major research project at the organisation.

"Wessex has always done continuous customer research, but this role is leading up to [regulator] Ofwat's price review, PR19," she says. "There's additional work we need to do for that, to demonstrate that our business plans have sound, robust evidence – that we have done enough with customers to support the

plans we have got, and that they are acceptable to customers."

Penrose's career has spanned agency- and client-side, and she has worked for the likes of market research firm Ipsos, the BBC, Oxfam and the Red Cross. At Wessex Water, she reports to Sue Lindsay, director of customer policy and engagement, whose promotion led to the creation of Penrose's position.

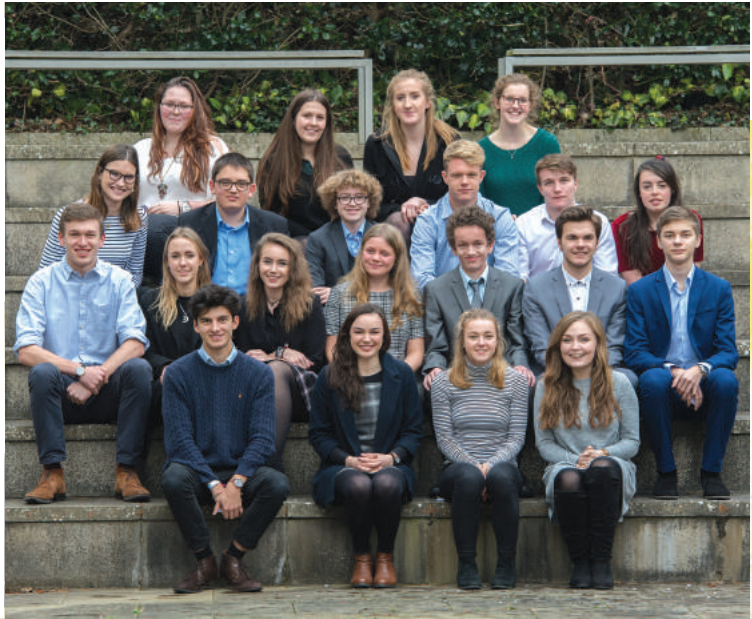
The research team at Wessex Water gauges and monitors customer sentiment through continuous research, while ad-hoc pieces are used to ensure it has the evidence it needs for its business plan. For the Young People's Panel, it worked with agency Blue Marble, with which it already enjoyed a close relationship.

Wessex is also working with Accent on a large customer evaluation project – a "very specific, technical piece of work" that involves a "stated-preference survey, asking people what levels of service customers are prepared to accept from us and how much more, or less, they would be prepared to pay for us to increase our services".

## Market dynamics

Water is an interesting market, not least because water companies are effectively regional monopolies – consumers cannot shop around and switch suppliers.

This is about to change for business customers and, potentially, for consumers too if the government opens the domestic market to competition. "If it does go ahead, customer insight will be needed a lot more than it already ▶



ABOVE Wessex Water's managing director Andy Pymer (top) addresses the students on the Young People's Panel

is," Penrose says. In the meantime, factors such as lack of competition and customer data present challenges for her and her peers.

"You can't observe behaviour in the way that you can in other industries," she says. "So we rely on stated-preference surveys to ascertain how well people feel we are doing on particular service areas."

Customers also take water for granted and only really think about their supplier if there is a problem. "Otherwise, it's like an invisible service that you only think about once a year, when your bill comes through."

Water companies have an impact on many aspects of people's lives beyond supplying homes with water, but many consumers are oblivious to this. "Supply and sewage is quite a wide area, and water companies influence a lot of things in the environment, but it's difficult to get people to understand that we make decisions that affect the environment outside the door," Penrose says.

Given the monopolistic, behind-the-scenes nature of the industry, it would be forgivable to suppose water companies don't need to engage in much marketing. There are, however, messages that need to reach

audiences – such as promoting water efficiency and, ultimately, persuading customers to have water meters.

"There's a lot of interesting insight, behaviourally, on how people use water and there may be a role for research in helping to segment people and develop communications around how they can be more sensitive with their water use," Penrose says.

"A lot of people find their bills go down after having a water meter installed and, because of that, they start becoming more aware of the water they use – so their water usage goes down even more."

While an absence of competition might suggest a relatively relaxed marketplace, water companies operate in a regulatory environment, which presents various challenges. Ofwat demands that companies adhere to a regulatory cycle, with firms obliged to share business plans and back them up with evidence.

"But Ofwat isn't prescriptive about the kind of evidence we should supply," Penrose says. "It wants to give guidelines for water companies to own their own customers and their research. So we need to demonstrate to ourselves that we've done it in a way Ofwat is happy with."



## Next generation

One of Wessex Water's obligations to Ofwat is that it speaks to future bill payers to help shape its plans. Typically when attempting to talk to students, utility companies have employed a decades-old approach of in-school educational sessions, but last year Wessex Water decided to rewrite the rules.

"It was just getting going when I arrived," Penrose says. "The company was doing a big review of customer engagement and we'd identified that the way we talked to young people hadn't necessarily worked."

Penrose is referring to more conventional practices of going into schools and "taking over a geography lesson".

"It felt like that approach didn't really speak to young people on their own level, that it was yet another relationship that was very much 'teacher-pupil'. We wanted to take it out of the school environment."

Wessex Water and Blue Marble had both been thinking about different ways to

engage with young people, to create a "more equitable exchange of ideas". "We felt that, if we offered them an opportunity that gave them something – a bit of work experience and immersion in what working life is like – they would be much more responsive."

The project was influenced by BBC television's *The Apprentice*, with groups attempting to impress senior executives by overcoming challenges and presenting new ideas. As a result, Wessex Water's managing director, Andy Pymer, and other senior management were involved from day one.

The Young People's Panel kicked off last September with a one-day event at the company's headquarters in Bath, during which the 21 students were "immersed in the water industry". The sixth-form pupils had been recruited towards the end of the 2015/16 academic year, after youngsters from 50 comprehensive and private schools in the Wessex Water region were invited to apply.

Panel membership was incentivised with a £100 reward and a formal reference that they could use in their university or apprenticeship applications.

During the day, the students were taught about the water business and got to meet and quiz various senior staff from Wessex Water. ▶

**“Customers take water for granted. It is like an invisible service you only think about once a year, when your bill comes”**

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► They were encouraged to stay in touch via Wessex Water's Facebook page, while an online questionnaire covering similar topics was sent to the schools, garnering 578 responses from the wider student population.

After going away for three months – during which time the four groups from different schools stayed in contact to collaborate – they returned to Bath for a day in December, to present their ideas for the business. The best suggestions were awarded prizes and trophies, with plans to implement some of them within the business.

Ideas put forward by the students ranged from a smart meter-enabled app to branding and pricing solutions. "They had a really good idea for metering that we hadn't necessarily thought about before," Penrose says.

"What we tend to do with new meters is that – after two years – people can decide not to have them any more. But the students suggested that, if you'd lost money [by paying more after having a meter installed], you'd get your money back. That gets rid of a barrier to taking up a meter in the first place.

"We thought that was a canny idea and we're seriously considering

introducing something similar to that."

Wessex Water is also considering following up on another student-group suggestion to use more case-study scenarios, making water consumption "real for people in terms of how their use might be different".

The students said a water company should be more vocal, and proposed ideas to raise Wessex Water's profile through local initiatives such as branded bottled water.

"One of them suggested we build a massive water park," Penrose says. "But we have thought that sponsoring local water features and swimming pools may be a more useful way to get our name out there."

Of course, there are few better testaments to effectiveness than a desire to repeat a project, and last year's scheme is on the agenda again in 2017. "We're having a planning meeting next month," Penrose says, adding that recruitment is likely to start in a couple of months' time.

Wessex Water is thinking of inviting a similar-sized group of students as last year, but from a broader range of schools – and new elements could include an additional meeting,

“Senior management really enjoyed it and found it refreshing talking to young people. They could see it was something new”



or perhaps something via Skype.

The company was delighted with how the inaugural panel fared – not least members of the executive board.

"Senior management really enjoyed it and found it refreshing to talk to young people," Penrose says. "They could see it was something new, and that no other water company – as far as we know – had done anything like this before."

Penrose admits that the panel approach was "more labour intensive than other research methods" given the need to ensure Pymer's diary was free, and that everyone was on board and fully briefed. "Internally, it involved more costs than traditional focus groups," she says.

But the expense was justified by the results. The Young People's Panel was no mere box-ticking exercise and the insights, findings and ideas gleaned from the project are not to be filed away and forgotten.

Instead they will form a key part of the business's plans – including contributing to its PR19 reporting to Ofwat, due next year, and helping to shape Wessex Water's future for the generations ahead. ■

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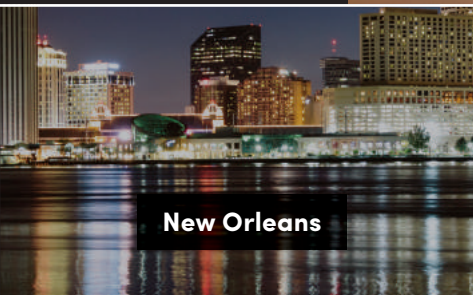
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# A MOBILE SOLUTION



AGENCY AND CLIENT MARKET RESEARCHERS DISCUSSED THE ADVANTAGES AND ANXIETIES OF MOBILE-BASED RESEARCH AT A RECENT EVENT RUN BY BASIS RESEARCH. **BRONWEN MORGAN** LISTENED IN

In recent years, mobile has been hailed by many as a panacea to address a number of quantitative research issues, such as reaching younger, male respondents, improving sample representation and expanding the situations in which surveys are completed. In fact, the message put forward by the most emphatic supporters of mobile has been that the industry must switch to mobile or risk compromising quality and accuracy.

To explore just how much weight these claims hold, Basis Research carried out an experimental study measuring the impact of a shift from PC-based surveys to a mobile-optimised approach.

The results revealed a number of interesting trends: a switch to mobile surveys didn't automatically attract younger men (though shorter, micro-surveys and SMS invites did increase participation among that demographic); and there was no effect of using a mobile approach on out-of-home survey completion, or indeed on survey experience.

The results also showed that when given a choice between completing a survey on mobile or PC, the vast majority chose a PC; and, perhaps most importantly, a mobile-optimised survey design actually led to a decrease in data accuracy.

Basis Research invited a group of client-side researchers, research agency and panel company representatives to a roundtable discussion in London to share the results of this study and reflect on the implications. A number of key themes emerged.

## Mobile is an option, not the answer

**Nick Bonney:** It's about horses for courses in my view. The reality is we're not going to get detailed, long survey capture on a mobile device; what we are going to get is second screen behaviour, slightly distracted, quick snapshot, 'here's how I'm feeling about something at the time'. Trying to tailor your method and your content appropriate to the device feels like the key thing.

**Katherine Feres:** It's the responsibility of researchers, whichever side of the fence you sit on, to choose the right methodology. If you're trying to get in-the-moment feedback that points me more towards going down a qual route, as opposed to expecting that, on a mass scale, you're going to be capturing people in the moment.

**Judith Welford:** Young people are happy to use mobiles for different sorts of activities. They don't necessarily have to be on the move to use their mobile to purchase things, for example. So the question is: what do we want from them? Is it a short interaction or is it something more? It should be the agency's responsibility to advise the client.

**Aaron Simmons:** I think there is a distinction though, between making this accessible to everybody and using mobile as a methodology, as a stand-alone. Where there may be an opportunity to do some diary type work via mobiles – be that in-app or web browser – it's a stand-alone methodology that does have limitations. Opening that up and letting people participate in a way that is more akin to their own browsing behaviour – that's a separate approach; that's more device agnostic.

## Mobile-specific sample

**Richard Bowman:** The fix is to stop using the term 'online research' and start talking about 'PC research' and 'mobile device research'. I would happily buy PC sample at one price and know that I could probably stretch to a 20-minute survey; and pay a bit more for mobile panel knowing that somebody had been recruited through mobile, trained on a mobile device, and only given mobile surveys.

**Rune Mortensen:** If you're getting a more representative sample, who feel more engaged and are enjoying it more, your data is going to be better quality.

**Simmons:** The problem with that is that quality is in the eye of the beholder, and it can change. We tried to define quality and gave up, because it depends on whether it's the service offering, whether it's down to the data you've got, whether it's the respondent... because we can have a good respondent and bad data, or good data and a bad respondent. The survey plays a role in that as well.



### Mobile-specific design

**Bonney:** Historically, we've not been that brave as an industry: trying to design the same thing and bung it on a mobile device, rather than reinventing it to work on mobile. I recall when the first flash tools were around, we did parallel tests on those we were using, and we were advising clients not to use half of them, because the data came out wrong. We can't just think: 'Right, it's mobile, we've got to make this loads better.' It's actually the opposite: you need to strip it down, make it simple. It's also about looking at what's good and easy for both the researcher and the respondent and getting the best of both of worlds.

**Robin Hilton:** Most surveys we design are agnostic; they automatically repurpose questions to be suitable for mobile. But, even when we say the survey isn't suitable for mobile, there's still a significant percentage of people taking it on their mobile. They just prefer it that way. So, we've gone down the route of making the surveys more user-friendly and engaging. Panellists filling in multiple surveys get bored of seeing the same thing. Also, if the surveys weren't getting longer and longer, you probably wouldn't need to put as much design and user experience into it.

**Paul Nesbitt:** I recall seeing a study where a standard survey had been tested, then another version with enhanced UX, and a third with some added gamification. The gamification survey didn't perform any better than the UX version. But, when the design was tweaked, better scores in terms of overall satisfaction were seen and participants gave more responses to multi-code questions compared with a 'standard' survey. The question is: 'has the industry got the gamification and UX surveys right?'

**Mark Bagnall:** Even if respondents are saying: 'I don't want it to just look like boxes', it doesn't mean it's going to be more accurate because you've now got lots of widgets on. So they might not like it [a plainer survey], but is it actually better for accuracy?

**Feres:** There are buzzwords of gamification and whatever else, but what I'm looking for from a mobile survey when I get links through, is: 'Does it work? Can I click on the buttons and move through the questions?' I've never had a conversation around gamifying my survey, because my conversations are around: 'I can't actually progress from question six to seven right now'.

**Bowman:** I've been looking at data that shows that 50% of panellists on one panel I use don't sign up via a PC – they've seen a digital advert or they've received an email – but around 80% across markets are taking surveys on PC. They've come onto a panel and then, a day later, they're getting a 20-minute survey that's a bit crappy on PC and terrible on mobile – of course they're going to disappear. ■

### Nick Bonney

Managing director, ABA Research

### Richard Bowman

Vice-president, insight, BBC Worldwide

### Katherine Feres

Head of market data and insight, Paddy Power Belfair

### Robin Hilton

Co-founder and director, ResearchBods

### Paul Nesbitt

Head of audience research, Condé Nast International

### Aaron Simmons

Senior vice-president, client development EMEA, Research Now

### Judith Welford

Head of brand and communications research, Dipsticks

### Mark Bagnall

Head of innovation, Basis Research

### Rune Mortensen

Managing director, Basis Research

### Dan Coombes

Research director, innovation, Basis Research (Chair)



# WHAT'S STOPPING PEOPLE BUYING?

INTERRUPTIONS OR INTERFERENCE WITH EXPECTED CUSTOMER JOURNEYS RESULT IN TRIPPING POINTS THAT CAN LEAD TO PEOPLE PULLING OUT OF A PLANNED PURCHASE, AS **TIM ROUTLEDGE** EXPLAINS

**T**he key to survival in an uncertain world is the ability to accurately predict what's likely to happen next and ensure resources can help meet that prediction. In a survival situation, errors have the potential to be fatal, so – to be most effective – prediction mechanisms must have two central facets:

**1 The capacity to process sensory feedback constantly, and to respond immediately should any discrepancy between prediction and reality be detected.**

**2 Having survived such a situation, to learn from the experience by committing the circumstances to memory, so that future predictions can be more accurate.**

We no longer have to face sabre-toothed tigers, but human brains have not yet caught up with the subtle nuances of the modern world. Fundamentally, our brains are predicting machines that use a simple binary system to alert us to prediction/reality mismatches – which, in turn, helps learning and improves future predictions.

In any new environment, for example, our brains will assess whether it is 'safe'. This is an unconscious process; we may consciously know we are not in danger, but the hardwiring in our

brain doesn't distinguish between a jungle full of predators and a shop full of people. So, if a customer entering a retail environment is approached unexpectedly, their brain may not have completed its risk assessment and could interpret this as a threat, causing them discomfort and stress.

We all encounter moments such as these on our customer journeys – moments when our expectations and reality do not match. On the surface they may appear trivial, but such moments influence our behaviour, whether we realise it or not. They can test our commitment to the purchase, make us reconsider, and can even have the power to make us quit the process altogether. We call these moments 'tripping points'.

Tripping points activate a cascade of physiological and neurological responses that the customer experiences as stress and must evaluate to continue. A single, major tripping point can trigger stress, and several small ones – much like a dripping tap – can, cumulatively, have a similar effect. Humans' natural 'fight or flight' response means it's an uncomfortable experience for the customer at best – and, at worst, they will walk away if the stress reaches an unacceptable level.

The level of stress that a customer is willing to tolerate is dictated by how much they want and need the product or service. It is possible to 'buy' tripping point tolerance by presenting an irresistible offer, but the converse is also true; the need for purchase inducement is reduced if the level of stress experienced by customers at each tripping point is minimised.

We now have the ability to identify tripping points as they occur and to measure the resulting stress levels. By using psychophysiological research to reveal the moments when customer expectation is at odds with reality – and then matching this to video and audio data – we can identify exactly what causes tripping points.

This process generates a Tripping Point Index – a scientific analysis of the customer's experiential journey that provides objective measures of stress, compared with a template of data from customer experiences in that specific environment. The Tripping Point Index also allows us to calculate how much each tripping point matters to the overall customer experience – and, so, how likely it is to hamper the sales process.

Over several years of research for our clients, we have identified many and varied tripping points. Some of the most common ones are:

- Not offering a hot drink to customers looking to spend a significant amount of money – on a new car, for example. Worse still, the salesperson is enjoying a drink and doesn't offer the customer something. The importance of offering a hot drink

may appear insignificant, but it can demonstrate warmth and empathy with the customer. Not to do so is basically saying: 'I'm the important one here; this is my territory and I'm comfortable in it, but you and your feelings don't matter.'

- Pricing. It's essential that brands and their salespeople are transparent about pricing. There can be a

tendency to try to fudge pricing to win the sale, but openness is key and sales staff should not be afraid to be honest about it. The customer will find out sooner or later if they have been misled and – though they may still proceed with their purchase – they may not return or recommend the brand to others.

- Lack of patience when handling browsers and general enquirers. Sales staff should be coached to take a longer-term view about the value of the customer.

Our responses to tripping points are largely unconscious and instinctive – customers may never know why they felt, or reacted, the way they did. Since they rarely recall what the actual tripping points were, and often drop out of the buying process without consciously understanding why, simply asking them why they didn't buy is pointless. People don't know – or don't remember accurately – why they responded as they did, so they can only offer a rationally filtered response that may have little or no bearing on the actual reason.

But tripping points can be measured biometrically, and by analysing them individually – and in relation to each other – it is possible to see: when and where they occur in any customer experience; what is causing them; and how they might be fixed.

Tripping points may be the result of the sales process, the environment – both real and virtual – and/or the behaviour of customer-facing staff. Some tripping points may be obvious: an overly complicated pricing structure, for example. Others – such as whether a salesperson smiles or not – may seem inconsequential. Some can be easily eliminated, while others – such as mandatory finance documents – are an inescapable part of the process and so need to have their impact 'softened'. However, all tripping points affect our behaviour.

So to encourage potential customers to buy – to complete their journey – we have to make the environment, the process and their human interactions as 'trip free' as possible. Interestingly, the reverse is also true; if you want to change behaviour, you can introduce tripping points to make customers consider alternatives.

The potential to identify tripping points to ensure the customer journey is less stressful – and that the goal is more likely to be achieved – has obvious commercial applications for those responsible for the design and delivery of such experiences. Almost all customer journeys contain many tripping points but, whatever their nature, our evidence is clear – finding and fixing them will increase sales, profit, customer retention, staff retention and productivity. ■

**Tim Routledge** is chief experience officer at Experience Insight



# ENTERING A NEW DATA ECOSYSTEM

BRANDS ARE ASPIRING TO GREATER PERSONALISATION IN THEIR PRODUCTS AND SERVICES – AND DATA, WHEN USED CORRECTLY, CAN HELP WITH THIS. **JONATHAN HALL** AND **NINA RAHMATALLAH** SHARE SIX STAGES OF THEIR APPROACH TO REACHING CUSTOMERS WITH IMPROVED MARKETING

**W**e live in an era defined by disruption. At a time of dizzying change, when the only certainty is uncertainty, businesses must evolve to exploit the opportunities afforded by data and digital technology, or they will lose out.

The old-school language of marketing has become redundant.

Established businesses struggle to keep up with the innovations of a never-ending stream of new, more dynamic entrants. At the same time, consumers – who have more control over brands than ever before – are being bombarded with messages, left, right and centre.

As companies and brands look to adapt to this new ‘business as usual’, Kantar Added Value spoke to a selection of senior clients, across a range of categories and territories, to inform and lead this important industry debate.

From financial services to retail, hospitality to consumer packaged goods, and automotive to tech, we asked them what will mark out the winners and losers in the race for tomorrow’s business growth. Their answer? Genuine ‘customer-centricity’, where the ultimate benefit to the consumer – above the products and services that brands sell – is of greater relevance.

Put simply, this is personalisation – the most relevant content created and delivered at exactly the right moment. This should come as no great surprise. However, aspiring to it is one thing, achieving it is quite another.

Brands have to look again at how they understand their customers, how they communicate with them, and how the customers experience the brand.

Data was supposed to be the solution, and yet confidence in the use of big data has fallen at precisely the time when it has never been more important. But data by itself is not the answer; indeed, some organisations have found the avalanche of big data slows down their business. The business challenge right now is how to link the pieces of the puzzle together systematically, to create meaning and action against strategic insights.

Data remains key, but only with the right system in place – or, more accurately, a system focused on the customer, and fuelled by a data ecosystem that identifies, quantifies and activates more effective, demand-led growth. Companies need a new marketing operating system that puts the consumer at the heart of the business, where brands can monitor, respond to and predict people’s needs.

Data has to be joined-up, easy to take action against and delivered more quickly, and it must be measurable in terms of return on investment. But there are obstacles to

overcome. These may include legacy systems and ways of working that have become a way of life, compounded by silo-based structures that encourage people to ‘protect their own patch’ at the expense of the bigger picture.

This makes life harder for organisations that have been around for a long time, compared with brands born in the tech age, when the need for personalisation and choice has been hardwired from the start.

Transactional data can be a powerful source of behavioural insight, but – to make it meaningful – it has to be complemented by attitudinal information. The former can provide the ‘what’, ‘when’, ‘where’ and ‘who’, but the clients we spoke to agreed that the ‘why’ is critical, and not yet something behavioural data can offer.

Segmentation has historically been the touchstone for strategic planning – a foundational framework for maximising existing brands, creating new ones, and identifying needs and opportunities, as well as gaps and inefficiencies.

But new technology gives us the opportunity to do so much more – by hardwiring the segmentation dataset into a broader ecosystem within the insight and media data universes and beyond, to platforms such as





Facebook. This creates the potential to engineer a more precise – more scientific – approach to reaching consumers, and to make your marketing the gold standard in efficiency and effectiveness.

The six building blocks of our strategic marketing and activation system are:

**Attitudinal and behavioural – create a foundational backbone**

Until now, corporations have had to opt for either an attitudinal or a behavioural segmentation; one traditionally offers greater depth, the other actionability. A foundational data backbone requires both – a next-generation marketing mix-evaluation tool.

**Consumer and shopper – bring the two worlds together**

Separate consumer and shopper segmentations owned by different parts of the organisation should be a thing of the past. Bringing consumer strategy and sales activation together can be done now.

**Predictive – anticipate and act against predicted behaviour**

Being able to predict where consumers are headed, and how they will respond to products and communications, is a

huge idea. Hardwiring predicted future behaviour into segment creation means you can stay one step ahead.

**Activation-enabled – bridge between traditional insight and media datasets**

Amazingly, there has been no consistent link between brand targets developed through the strategic planning process and the activation segments created by media agencies. Until now.

**Right talent – build and restructure for this new world**

The first four components are about tools and processes, but people are what drives systemic change. The right organisation and training are key to making data integration successful.

**Role of real-time – balance ‘big picture’ with nimbleness**

Everyone is scrambling to incorporate real-time in their armoury, but few stop to think when it is relevant and when it is not. Some things are too important to be real-time.

These recommendations are the result of extensive quantitative studies that we hope will be a major step forward in the industry debate about how we adapt to this rapidly changing environment.

Kantar Added Value worked with PepsiCo to unite the \$60bn organisation around a single global model, providing a common language to talk about the landscape, the consumer, the business and new growth opportunities.

PepsiCo’s former senior vice-president of global insights, Peter Harrison, said he had “never witnessed a piece of work that has had so much impact on a business; a piece of work that has changed the conversation within an organisation, that has galvanised an organisation around an agenda”.

Companies are at various stages of this journey, but – thanks to technology – the destination looks increasingly similar, regardless of which industry you are in. The roadmap is clear; the challenge is to stay the course. ■

**Jonathan Hall** is president, brand consulting, North America & global chief innovation officer, and **Nina Rahmatallah** is deputy managing director UK, at Kantar Added Value

# FRED REICHHELD IN SEVEN

**FRED REICHHELD**, FOUNDER OF BAIN & COMPANY'S LOYALTY PRACTICE AND CREATOR OF THE NET PROMOTER SYSTEM, HAS PUBLISHED BOOKS ON LOYALTY, MOST RECENTLY *THE ULTIMATE QUESTION 2.0: HOW NET PROMOTER COMPANIES THRIVE IN A CUSTOMER-DRIVEN WORLD* WITH ROB MARKEY



## 1 What business need led you to create the Net Promoter Score (NPS) and how long did it take you to determine the measurement?

The goal was to help firms improve customer loyalty – to create an operational tool that every employee could understand and use. It took several years of research and development; we asked thousands of customers, across a dozen industries, to score a variety of survey questions. We then examined the subsequent loyalty behaviours for each customer. It revealed the power of 'likelihood to recommend' (LTR) and the best way to categorise responses – promoters, passives, detractors.

## 2 Since you launched NPS, do you think companies have become more, or less, focused on the link between customer loyalty and profits generated?

I see quite a bit of progress. Once companies have identified promoters in a key segment of their customer base, they can compare factors like revenue growth and margins, for those promoters, compared with other customers in that segment – passives and detractors. For example, in retail banking our clients have seen that, for their high-net-worth customers, promoters are worth five to 10 times the value of passives.

## 3 Has the advent of digital media – and, in particular, social networks – changed NPS?

NPS fits the needs of this new world nicely. The increasing power of recommendation and referral in social media and consumer ratings is

one of the factors making the Net Promoter model increasingly relevant, as firms recognise and track the impact of recommendations and five-star reviews – as well as of one-star reviews.

## 4 NPS requires a business to be compared against the competition – but, today, competitors often move in from outside your category. How does that affect the measure?

Customer recommendation is always based on the relevant set of alternatives, not just traditional ones. One of the best ways to spot a new competitor – within or outside your category – is to observe their track record in delighting your target customers. Net Promoter scores are a way to x-ray an industry to spot trends.

## 5 Byron Sharp, professor of marketing science at the University of South Australia, criticises NPS as "fake science"; do you acknowledge there are limitations to the measurement?

Of course there are criticisms of NPS, just as there are for any model. Models are limited because they simplify reality, but a few are useful. Most of the criticism of NPS has been targeted at one supposed claim, namely that NPS, a summary statistic based on a customer's response to one question – typically: How likely, on a scale from 0-10, would you be to recommend X to a friend? – can forecast the customer's behaviour better than a complex index based on multiple questions. This isn't accurate, as NPS was never intended as a forecasting tool; it was designed to be an operational tool that could drive

the daily decision and priority-setting within an organisation.

## 6 What research do you think best complements NPS to get to the 'why' of that score?

We use longer surveys and customer panels – but also, increasingly, big data tools that track customer behaviours. We believe every detractor deserves follow-up – an apology probing for root cause, and a solution to that problem. We always follow the LTR question with an open, verbatim question asking the customer to explain their score and how we could improve. This rarely gets deep enough to identify root causes, but it advances that conversation and ensures the right person in the organisation is engaged. The challenge for researchers is to have the technologies to 'listen in' and to gather relevant insights from these decentralised employee conversations.

## 7 Why do you think NPS has been so popular with the C-suite?

I believe front-line employees like NPS even more than the C-suite does. There is nothing better than hearing the standing ovation (a score of 10) from the customer you just served – and there is no better way to improve than hearing feedback from unhappy customers right away – and engaging with them to understand why. The C-suite likes NPS because they see it as having a positive and energising impact on the front line. They trust these direct conversations with customers more than they trust statistical aggregates. ■

# Gossip v gospel

The Donald Trump reality show continues unabated: another day, another Tweet, another executive order.

The mainstream media and political elite remain stupefied by the pace of developments, but this is what America voted for: someone who means business and gets on with it. Moreover, despite the seeming chaos, the system is demonstrably working, with the judiciary and legislature keeping checks and balances on the executive. The travel ban imposed on seven majority-Muslim countries was overturned by “so-called judge” Bob Ferguson, proving that no man – not even the leader of the free world – is above the law and the constitution.

As Peter Thiel, co-founder of PayPal, has said, one must take Trump seriously, but not literally. When it comes to politics, he changes his mind on the turn of a sixpence – think waterboarding, NATO, ‘one China’ policy, the Iran nuclear deal, and the ‘two-state solution’ for the Middle East. But when it comes to economics – cutting taxes, spending on infrastructure or rolling back bank regulation – he seems steadfast, to the delight of Wall Street, where markets are hitting new highs.

Trump is a businessman: a deal maker, not a politician – and certainly not a diplomat. He talked about ‘draining the swamp’, but instead has filled it with ‘vampire squids’. It’s all about personality, not policies, and being seen to be a winner at all costs.

Which brings us to fake news, or ‘alternative facts’, where what we read is no longer verifiable truth but lies, damn lies, and no statistics. The Pope backed Trump, the FBI was investigating Hillary Clinton for conspiracy to murder, and she was supplying arms to Isis. These were just some of the fictitious stories that gained traction during the 2016 election. A lack of honesty,



**“Trump has turned the media into the official opposition”**

Macedonians who wanted to make money, Russian agents who wanted to make mischief, and algorithms on social media combined to make the angry and disillusioned vote for Trump.

This fake news continued after the campaign: the size of the crowd at Trump’s inauguration was exaggerated to distract from the global women’s marches taking place the following day in 180 countries. It was the old PR trick of burying bad news.

Trump has skilfully turned the mainstream media into the official opposition party, distrusted by ordinary citizens for playing partisan politics and now portrayed as the enemy of the people. The media have become the whipping boys of the new administration, exemplifying the breakdown of trust between the elite and the masses.

Mainstream news outlets failed to understand middle America, and to hold the money men of the East coast – and the unicorn hunters of the West coast – to account for the dashed hopes and lost aspirations of ordinary working folk – people whose


standards of living and quality of life have fallen with globalisation and the march of technology. These people have still not recovered from the global financial crisis, despite this being the eighth year of economic expansion in the US. Meanwhile, those regarded as having caused the near-depression are better off, with massive asset inflation a welcome by-product of keeping interest rates too low for too long. So voters are getting perverse pleasure from seeing Trump undermine the press – the voice of the establishment and the elite, who have seemingly betrayed them.

Yet the fourth estate’s role in challenging those in authority and speaking truth to power is vital in a democracy. As President George Bush Jnr said recently: “A free press is critical to democracy... power is addictive... corrosive... and must be kept in check.” But it is interesting to see how timidly US reporters act in presidential press briefings compared to UK journalists. This is in strange contrast to US investors, who are vocal and activist in their behaviour, unlike UK investors, who are often seen as ‘absentee landlords’, working quietly behind the scenes when it comes to keeping boards in check.

Ironically, banning the ‘crooked media’ – the *New York Times*, the *LA Times*, the BBC, *The Guardian* and the *Daily Mail* – from White House press conferences, to distract from their investigations into Trump’s alleged links with the Russians and withholding his tax returns, has led to increased circulations, ratings and subscriptions for these outlets.

After years of politicians abrogating their responsibilities, the people voted for someone who would take charge and take on vested interests – not dissimilar to Brexit and the urge for sovereignty. ■

**Loma Tilbian is executive plc director and head of media at Numis Securities**



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# View from Silicon Valley

Technology and industry trends may change around the world, but one topic remains at the top of the agenda for every conference and working session in our industry, wherever you are: storytelling. And for great storytelling, we need ever more beautifully designed debrief slides – right?

Our industry's fascination with the art of storytelling – or the science of it, depending on your perspective – isn't new. Storytelling is a rebranding of the single most vital skill for a researcher: persuasiveness.

That's not to say the rest of the research process isn't important. Clearly. However, the end goal of any research study is to ensure that the customer's voice is considered in a business decision. Without the ability to persuade clients or stakeholders to listen to the data and take heed of what those customers are saying, the rest of your work is for naught.

The assumption that better design = a more compelling presentation = better storytelling = more persuasion power doesn't always hold. Don't get me wrong – I spend far, far longer than I care to admit designing Keynote slides, and I'm a huge advocate of the power of great design. But there are alternatives that should be given equal consideration.

In the US, I've found a very different approach to bringing research to life, and it requires a role that I haven't often found around research teams before – a product manager.

Working in tech means that product always comes first, so the more we put our research into that language, the more persuasive we can be. Practically, this means



## “Working in tech means product comes first”

working with agencies on delivering insights as more than a presentation, or an infographic, or even a dashboard, and instead as a ‘product’ – a set of tools that allows clients and stakeholders to explore and understand the insights themselves.

Historically, we've been nervous about relinquishing control over our hard-collected data in such a way. The analysis happens away from prying eyes and the client sees the polished summary of the story. But that's not the approach I've seen taken here.

Recently, I've been working on a segmentation project and the agency – Lieberman Research Worldwide, for full transparency – added a technical manager to the project team, alongside a designer, to build products around its findings. This has been stupendously helpful in making the segments more tangible and actionable, and less abstract, as they can sometimes feel. Two examples stand out.

First, we wanted to analyse what our segments were interested in. A fairly standard request, and usually delivered as a bar chart as part of the debrief.

Instead, we received a designed and branded TURF [total unduplicated reach and frequency] analysis tool in Excel, which allowed anyone to explore each segment's interests and understand the optimum combination to build creative and media plans around. An old analytical technique, but when it's delivered as a tool such as this – even just as a smart Excel sheet – suddenly all the teams we work with wanted to play and explore the data in a hands-on fashion that the best presentation could never accomplish.

Second, when we wanted to understand how to prioritise our segments, we received a workbook containing data across several dimensions – from value to brand fit – with editable weights for each, and suggested values for those weights. This meant the teams we worked with could adjust the weights themselves and understand how we were prioritising our target segments. Again, a simple approach, but delivered in a way that encourages people to explore the data themselves.

Working in the United States has made me think a lot about how to present research in future, and how we should start learning to deliver it as a product or a toolkit.

Bringing into my team people who understand how to build these is a high priority for us – and I hope to see it being considered, alongside design, at the next conference session I hear on storytelling. ■

**Matt Taylor** is consumer insight lead at Twitter

# A SECURITY BRAINWAVE

PASSWORDS ARE DIFFICULT TO REMEMBER AND EASY TO HACK. COULD BRAINWAVE AND GAIT ANALYSIS HOLD THE KEY TO MORE SECURE DATA PROTECTION? BY **BRONWEN MORGAN**



In 2016, technology news site ZDNet reported that there had been more than 3,000 public data breaches, resulting in around 2.2bn records being stolen. This has led many experts to conclude that current approaches to data protection are outdated and should be replaced by new methods of authentication.

A study of IT decision-makers, carried out in the US last year, revealed that 69% of organisations said they were likely to do away with passwords within the next five years. Craig Lund, founder of security solutions provider SecureAuth – which commissioned the study – said: “On the heels of recent mega breaches such as Yahoo!, in which usernames, passwords and security-question responses were compromised, there’s a growing movement from individuals and businesses for an authentication overhaul. Single-factor, password-based authentication – and even many traditional two-factor approaches – are no longer enough in today’s increasingly digital world.”

Last year, UK bank Barclays announced it was introducing voice recognition as a form of secure ID, eliminating the need for security questions and passwords. Voice recognition works by analysing the way people say words – including the sounds of their mouth and tongue – and creating a profile of 100 unique characteristics that are almost impossible to recreate.

Several other banks and building societies, including First Direct and Santander, are introducing similar technology, while HSBC is offering voice and touch ID (fingerprint scanners for its smartphone app). Challenger bank Atom Bank allows customers to log on via a facial-recognition system.

These techniques are clearly advanced, but two more recent developments push the boundaries even further: brainwave and gait analysis.

## BRAINWAVES

For some time, scientists have been working on the idea of using brainwaves as a form of identification. A group of psychologists at Binghamton University in New York State now claim to have developed a system that can be used to identify people by their ‘brainprint’, with 100% accuracy.

In an initial experiment, the team recorded the brain activity of 32 people as they read different words, then attempted to identify the individuals from that data. This was done with levels of accuracy of between 82% and 97%.

The researchers subsequently expanded the experiment, switching from words to images and growing the pool of participants to 50. These people were fitted with an electroencephalogram (EEG) headset and shown 500 pictures of objects intended to elicit unique responses, including a slice of pizza, Hollywood actress Anne Hathaway, and the word ‘conundrum’.

The brain’s response to each picture was recorded and the participants were then anonymised and shown the pictures again. Based on the brain’s response, the computer had to identify who it was, and had a 100% success rate.

One of the benefits of brainwave authentication is that it can verify a user continuously. A typical password or fingerprint-based login system requires just one authentication, so – once you’ve logged in – someone else could feasibly have access if you leave your device unattended without logging out. But, with brainwaves, the system could be reading and verifying

the user’s brainwaves constantly. There are drawbacks with this verification system, however.

A recent experiment revealed that getting drunk can interfere with brainwaves; accuracy of brainwave authentication fell to as low as 33% in some inebriated users. Other external factors – such as recent exercise, hunger, stress and fatigue – can also reduce reliability.

## SECURE WALKING

Meanwhile, a group of scientists in Finland have been trialling the use of walking style as a way of securely pairing digital devices.

Stephan Sigg and his team at Aalto University, in Helsinki, found that it was possible to create ‘gait fingerprints’ by analysing people’s walking styles using accelerometers and gyroscopes – most modern mobile devices contain both – and a technique called fuzzy cryptography. This is a way of obtaining identical keys from similar patterns.

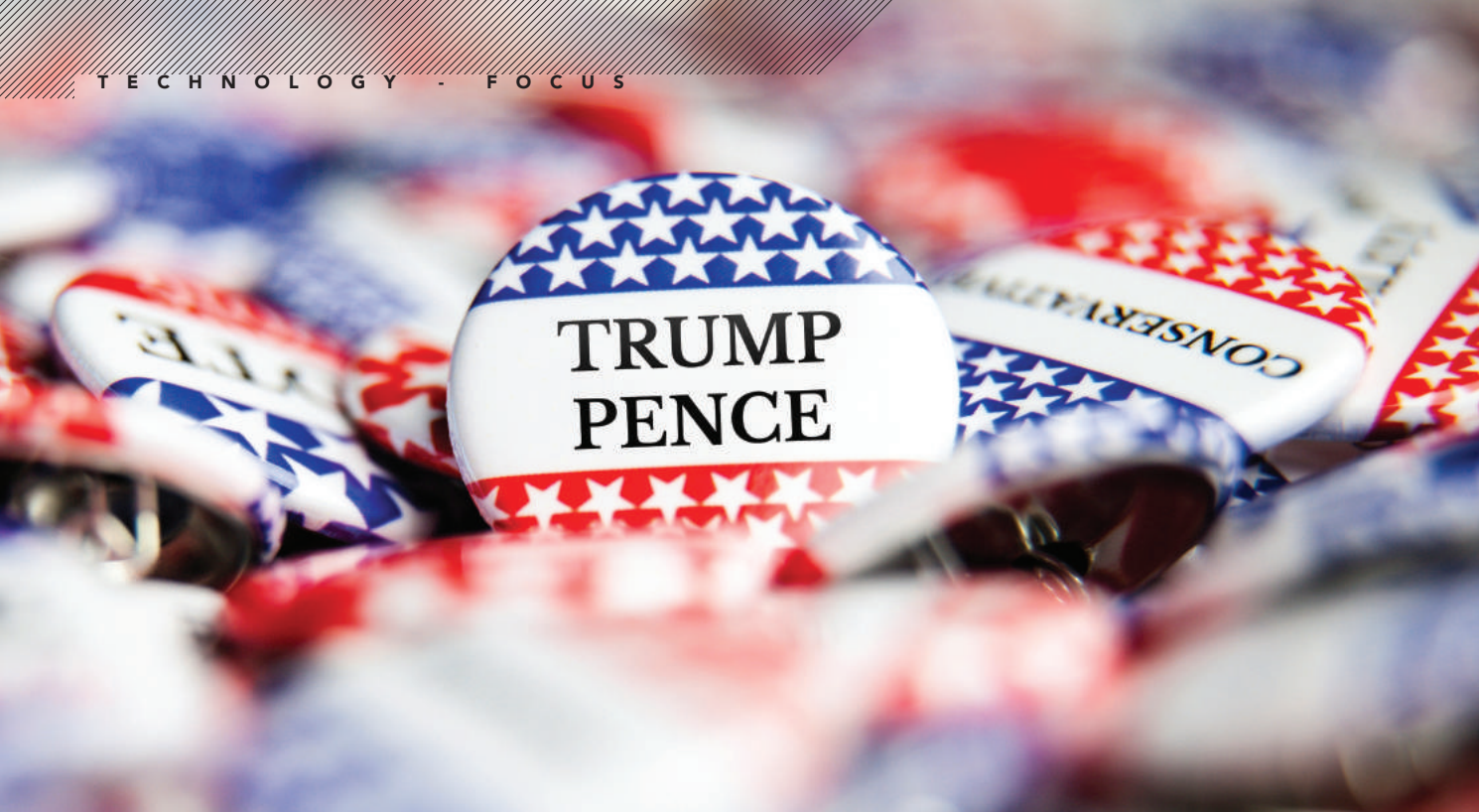
The theory is that, if two devices pick up a similar enough gait ‘fingerprint’, this is an indication that they are being worn by the same person. As a result, they can automatically connect to each other without the user needing to enter a password or unlock their smartphone.

The researchers found that sensors on different parts of the same body generated fingerprints that were 82% similar, while fingerprints from different bodies were just 50% similar. This means the technique is less secure than fingerprint or iris scanning (see boxout, Fact File), but about as secure as voice recognition. ■

## FACT FILE

### OTHER METHODS OF BIOMETRIC IDENTIFICATION

- Heart-rate recognition, which uses the unique beat pattern of a person’s heart
- Vein-pattern recognition, which detects a person’s unique system of veins, typically in the hand, wrist and arm
- Iris recognition, which uses a camera to photograph the pattern of the iris
- Retina recognition, which works in a similar way to vein-pattern detection, but within the eye.



# TRUMP'S DATA GURUS

DATA SPECIALIST CAMBRIDGE ANALYTICA SHOT TO THE WORLD'S ATTENTION WHEN IT WORKED WITH DONALD TRUMP ON HIS WINNING CAMPAIGN FOR CONTROL OF THE WHITE HOUSE, TRAILING CONTROVERSY IN ITS WAKE. ITS LEAD DATA SCIENTIST, **DR DAVID WILKINSON**, SPEAKS TO JANE BAINBRIDGE

**A**t an event last year, to predict the trends for the coming 12 months, one of the presenter's tips was to 'look out for Cambridge Analytica – it is getting a lot right and we're going to hear a lot more from it'. It was the start of people outside the niche world of big data hearing the name Cambridge Analytica (CA), and its profile has only increased since, though not always for the reasons it may have hoped. When it comes to the influence, strategy, client list, behavioural-prediction accuracy and technical success of the company, there's a counter claim for every claim. Its work for the Donald Trump presidential campaign has secured it publicity and press scrutiny, but other aspects of its business remain opaque – such as the billionaire US conservative political donor Robert Mercer reportedly being a shareholder, and its involvement with the Leave.EU campaign (CA had denied it worked for the campaign group, while Leave.EU communications director, Andy Wigmore, told *The Observer* that CA had worked for it, although not paid).

*Impact* sought to find out more about CA's methodologies and practices. After lengthy negotiation, SCL Group and CA's lead data scientist, Dr David Wilkinson, answered some questions.

**Q: You have garnered fame by working with Donald Trump in the US. Can you explain the methodology you used to help his campaign?**

Data science played a huge role in the 2016 US presidential election. Our data

analytics were used to inform strategic planning and drive marketing and communication. We used: extensive research surveys; voter files; data from the campaign; and commercially available data.

**Q: I understand it included psychological profiling of voters – how did you manage to profile so many people? How many did you do?**

This is incorrect. We didn't have the opportunity to dive deeply into our psychographic offering because we simply did not have the time. Building a presidential data programme often takes campaigns well over a year. We started working for the campaign in the summer, so focused on core elements of a political data-science programme.



**Q: What behaviour traits were most important to identify in terms of understanding voting intentions?**

As before. However, we did focus a lot on key political issues, finding that Trump supporters were more likely to support a strong stance on law and order, and immigration, whereas persuadable voters were much more motivated by issues relating to international trade – particularly taxing companies that send work overseas – and increasing wages. The cross-section of issues with persuadable voters was key to identifying messaging strategy.

**Q: How did you use these profiles with other, external data sources?**

Our models were constructed with a combination of campaign data, commercial data and research. The results of these models were used to segment the target audiences – mainly focused on the most persuadable voters – by messages that would resonate most with them. These audiences could then be made into custom lists that were used in digital marketing platforms and social media.

**Q: In particular, how do you use social media platforms?**

Any media platform we use to distribute content to our audiences is strategically chosen, based on the audience we're trying to reach and the campaign objectives. Because social platforms are a thriving centre of time spent online and have the added benefit of peer-to-peer influence, we find a lot of success in delivering content to our targeted audiences across Facebook, Twitter and Snapchat. Additionally, designing tactics that are unique to each platform – such as Twitter's conversational ads or Snapchat's geofilters – is an important way of ensuring that all our advertising is data-led, but still exciting and creative. The highly accurate, people-based targeting methodologies of Facebook facilitate an unparalleled match rate with our offline universes, as well as being able to test results very precisely.

**Q: Other pollsters have found difficulties in managing online responses vs telephone responses; how important do you think the medium of**

**response is, and what biases do you see between the two?**

What you describe is what we call 'method bias'. We correct for this by using a blended methodology – we were surveying using a mix of online panels, telephone to landlines, and telephone to mobile. We chose an optimum combination of these methods, based on achieving as much demographic balance in representing the voting population as possible.

**Q: How much were you influencing Trump's decisions and strategy choices with your findings?**

Senior campaign staff had round-the-clock access to our findings and results, including information on those voters who were persuadable on any given week, and those who should be messaged as part of a get-out-the-vote strategy. These were detailed for each battleground state, with demographic and geographic breakdowns within each state. We showed how this electoral map moved with time, and what issues were most relevant at any given time. This led to important tools, such as an optimum Electoral College path to victory, prioritisation of states with recommended spend in each state, and optimum locations for rallies and events. We don't know for certain when and how much each of these pieces were used, but we know the results were read and used to some extent by the campaign team.

**Q: I've read about you personalising advertising messages and individual targeting; do you have evidence of how effective that was?**

We conducted a multitude of tests to measure lift (that is, increase in support of the candidate compared to a control group), which continually fed back into our research and data programme. Typical lift figures for generic advertising were around 3% per week, but we were able to get to 12% lift per week using our individual modelling methods, and 6-9% lift per week using data-informed geographic targeting.

**Q: Your website talks about 5,000 data points per person – how are these achieved?**

CA's database is a combination of

demographic, political and consumer data from commercial sources, and models we have constructed for previous projects.

**Q: What do you think is the difference between what you do and what other pollsters or data analytics firms do?**

We built a research, data and digital programme that was optimum for the candidate in question. The regularity with which we could update our models and segmentation was behind our analytics programme success. In general, we are able to extract the deeper reasons about why people behave and react in a certain way. The ability to take fundamental research about behaviours for a political or commercial client – and expand that into a full communications strategy via data science – produces the rigour, efficiency and completeness that gives us an edge over competitors.

**Q: Despite all the work you did, you still didn't predict Trump's win; do you think the days of being able to predict election outcomes have gone?**

We saw about a 25% chance of a Trump victory going into election day. But more importantly, we showed that, if he was to win, it would be a combination of rust-belt state support and a low turnout from African-Americans in southern battleground states. We are much more interested in maximising the chance of victory than being a crystal ball.

**Q: You nailed your colours to the mast of right-wing politics, but where else do you see your data science business going in the future?**

We're a politically neutral company. We work with Republicans in the US, while – in the rest of the world – we have worked with political campaigns and groups from the centre-left and the centre-right, government departments and agencies, unions and charities. We help commercial brands and small companies. SCL Group has a long history in national and regional projects in conflict resolution, social, health, development and welfare, and that is still a core division within the company. ■



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# FUTURE FLAVOURS

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FLAVOUR TRENDS.  
**JANE BAINBRIDGE**  
REPORTS

**A**s anyone who grew up in the 1970s or earlier knows all too well, the rich and varied food choices we enjoy in the UK today were not always the norm. While Brits took the anglicised version of curry to their hearts readily, other – more exotic – flavours have taken longer to form part of the nation’s meal repertoire.

But as food culture has become increasingly important for many people, predicting what the next culinary trend will be is vital for food professionals all over the world.

To help chefs, bartenders and manufacturers, Bernard Lahousse, Peter Coucquyt and Johan Langenbick founded food technology company Foodpairing. By combining consumer intelligence, molecular analysis of ingredients and data science, the Bruges-based business sets out to forecast the next big flavours in the food industry.

Each co-founder brings his own expertise to the business: Coucquyt is a former Michelin-star chef; Langenbick works on business development; while Lahousse brings science and bio-engineering knowledge to the team.

“Peter makes sure that the recipe generation is of gastronomic quality, so he’s watching the quality of the outcome of the results – and he’s also the one who’s connected to our network of chefs worldwide. Johan talks to companies to know what the challenges are in bringing more successful products onto the market; and I know about flavours and how they interact,” explains Lahousse.

Foodpairing’s aim is to build the largest flavour database in the world; so far, it has analysed about 2,000 products. As well as looking at the items – like apples and tomatoes – it also looks at the process, such as type of cut, because this affects the flavour profile. “We know all the molecules, aroma, taste and texture that describe the product and which we use to find – for example – how an ingredient can be fitted into a recipe,” says Lahousse.

Aroma is a significant factor in the flavour of a product. “More than half of flavour is what you smell – not only when it’s in your nose, but when it’s going from your throat to reach your nasal [passage], which is the way we smell the majority of products when we eat.”

The company uses gas chromatography mass spectrometry (GCMS) to do the analysis, but because a machine ‘smells’ in a different way from a human, the company visualises a product’s smell in ‘aroma wheels’, to give its aroma profile.

Researching people’s taste preferences is the next part of the equation. “To know their taste preferences, we need to follow the behaviour of the consumer. So we need insight into the ingredients or recipes they like. Because we know the chemistry of those ingredients, we don’t look at the recipe; we look deeper – at

▶ the molecules – and we try to find patterns in the aromas, or taste combinations and textures, that the person likes,” says Lahousse.

Foodpairing has various methods for gathering data on consumer behaviour, such as open data from recipe websites and social media.

It has agreements with some companies allowing its application programming interface (API) to be plugged into third-party apps to gather data on people's preferences.

“The science is the basic layer. It gives an objective overview of the best possible combinations, but it's not just from science that it's a good food combination – it's also culture, and it's personal. So, on top of that [science], it could be location and then the person themselves. We need to have those three to have a good insight into the preference.”

In terms of location, Foodpairing is currently working mainly in the western world, but flavours from around the globe are analysed and locality has a huge influence on taste preferences.

“If we analyse chocolate; strawberry, soya sauce and chicken are three potential combinations that match very well with it,” says Lahousse. “But chocolate and strawberry will be more of a western combination, whereas chocolate and soya sauce is not a combination you'd find in the West.

“But it's a combination offered – by KitKat, for example – in Japan; and chicken and chocolate is a typical combination in Mexico. So you see the influence of culture on matching the products.”

The reason these flavours work together is because of a key molecule they share – furaneol.

“It exists in strawberry and chocolate – of course, the matrix that it's in, and the concentration, is also very important, which all has to be taken into account.

“Based on that, we can make predictions of what ingredients will combine nicely. We're looking for



similarity, synergy – and, with aroma, we're looking for the same. With taste and texture you look for contrast.”

## HELPING WITH NPD

At present, it is mainly the chef community that uses the Foodpairing site, but it also has major food manufacturers among its 135,000 members. For the corporations, it can work on new product development (NPD) and on identifying which new flavours should be launched.

“When they think about what should be a new line extension – or a new taste – there are no methodologies at the moment, so it's by intuition. We've tried to make it much more structured by adding the science data,” says Lahousse.

The company recently worked with FrieslandCampina on a milk-based drink for adults in Vietnam. It looked at potential flavours and used its algorithm to avoid unpleasant tasting combinations. The range of possible flavour combinations was huge, but – with its market research approach – Foodpairing reduced this down to 12 on-trend flavours.

“Because it was a new drink, the company had no idea what combinations it could make. The concept was like a trolley on the street and people could customise their milk drinks,” explains Lahousse.

“We analysed the profile for the best possible combinations and then we looked at the market and consumer data to see which of those ingredients consumers are looking for and talking about.”

However, the motivation behind setting up the business was not to introduce the world to new flavour combinations; Lahousse also thinks it's important for food-consumption habits in a future where some resources will become increasingly scarce. “We believe diet is one of the most efficient ways to solve two of the biggest challenges of our time – sustainability and health. By using food tech on top of diet we can personalise diets and we can make food fun.

“We are analysing loads of seaweed and insects. Our methodology has the big advantage that – even if we combine something that nobody has ever combined before – by doing the analysis we can see what are the best-possible matches.” ■



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SCIENTISTS AT UCL HAVE DEVELOPED AN ALGORITHM THAT CAN PREDICT WHEN SHOPPERS WILL TRY NEW BRANDS. LEAD RESEARCHER PROFESSOR BRADLEY LOVE EXPLAINS THE STUDY TO JANE BAINBRIDGE

# WHEN PEOPLE ARE WILLING TO TRY NEW PRODUCTS

People are creatures of habit, buying the same brands week after week. While loyalty works in a company's favour for a chosen brand, for new products – those trying to build market share or break into a new category – it's a force against them.

But scientists at University College London (UCL) and customer science company dunnhumby have created a new model that can predict when people are most likely to try different brands or products.

The researchers – led by Professor Brad Love of the UCL's Department of Experimental Psychology and The Alan Turing Institute – drew on the Tesco Clubcard database to look at people's purchasing habits.

They looked at six categories: beer, bread, coffee, toilet paper, washing detergents and yogurt, and examined the choices of more than 280,000 anonymised individuals in supermarkets over several years.

People with at least 50 purchases within a specific product category were selected to get sufficient data for individual analysis and to retrieve customers likely to use their Clubcard with every visit. Each product category gave between 39,105 and 79,988 datasets.

The categories were chosen because all involved frequent purchasing, which meant they produced sufficient data. But other factors in the category choice were the diversity of products within the category, and that the competitor products were obvious.

"For some products it's not always clear who the competitors are, so we tried to choose those where it's really clear what the alternate brands are," says Love.

The study wanted to identify when shoppers were in 'exploiting mode' (taken from when honeybees, foraging for nectar, continue to exploit their current location – i.e. people are buying the same product) and when they were in 'exploring mode' (ready to explore new locations for nectar, or, in this case, buy new brands/products).

"We looked at how people explore and exploit studies in the laboratory, where objective rewards are used like money and where people treat choice almost like information. So the longer it's been since one has explored, the more likely one is to exploit. With objective rewards, people treat choices as an opportunity to gain information about competing options, as if they become more curious and drawn to options that are less familiar or well known to them.

"But people don't choose products that way – it's exactly the opposite; the more one buys something, the less likely one is to explore," explains Love. "In these cases, it's as if people are trying to align their preferences and choices by changing their preferences to match their recent choices.

"It's not as if people get curious about the alternatives – if someone drives a BMW they become a BMW person – it's not that they were a BMW person and went out and got a BMW. So, it's relatively arbitrary what ends up in someone's shopping basket, but



once they start buying it, their tendency to keep buying it strengthens.

"However, once you break that cycle, it seems to reset; it's not that we keep buying the same stuff again and again and again – people's exploration rates that we looked at were the same in the first 2.5 years as the last 2.5 years," he says. "I don't really know why people eventually explore – maybe it's that the product isn't on the shelf – but, when they finally do, it opens them up to more exploration."

The research identified a clear pattern; that people are less likely to explore the longer they've been exploiting.

"People vary in how strongly they manifest that pattern, and if someone strongly shows that pattern for one product category, they'll show it for another," says Love. "Some people strongly show the coherency maximising approach – the more they exploit, the less likely they are to explore. There are a few people – about 10% – who become more likely to explore the longer they've been exploiting."

The model built by the team excluded many of the factors normally associated with retail such as price, time of day, location. "It's a really simple logistic regression model. [It considers] one thing that predicts whether people explore or not: how many times in a row they've exploited," says Love.

"The model is ridiculously simple and, because it's so simple, you can fit it to individual shoppers' data, so we can predict what an individual wants to do. There's an issue with predictive models that the more complex the model is, the more data you need to use it properly. Simpler models are limited in many ways but they can be more robust. What's nice about this data is that we could probably predict something about a new product that we don't yet have data on, because what people do for one product class seems to spill over to another."

They tested the theory with two coupon studies – one using existing data and another that involved running a new campaign to try to replicate the results. They sent coupons to thousands of people and used the model to predict who would use them.

From the first experiment, the researchers just had data on those coupons that had been redeemed, so they could see the successes, not the failures. "We only had the number of days, not the redemption rate, so our thinking was, if something was a really exciting coupon and really important to you, you would redeem it more quickly. What we found was that when someone received an 'exploit' coupon – for instance, a coupon for something they were already buying – customers were faster to redeem it when they were on a long exploit streak. We found the exact opposite when someone received an 'explore' coupon for a novel product," says Love.

The findings indicated that shoppers who had recently switched brands were twice as likely to use the coupons to try a new product.

So what can marketers learn from this model? "From a marketing perspective, I don't think it can be used as a strategy; it suggests that rather than try to convince someone to switch to a particular product, the marketer should wait for the person to enter a period of exploration. When people enter these periods they are more open to just about anything," says Love.

"It's not really worth putting in the resources to change people's minds when they've embarked on a long exploitation period. It goes the other way too; if I had a loyal customer and, all of a sudden, they faltered and purchased other products, I'd come back at them with the most amazing offers to try to get them back into the fold. These tendencies seem to self-reinforce so, once they drift away, it gets harder and harder to bring them back."

Whether trying to poach customers, retain them, or change people's behaviours to be more social or eat other foods, the time to strike is not when people are entering the exploitation period but recently exiting it. ■

**Coherency-Maximising  
Exploration in the Supermarket**  
by Peter Riefer, Rosie Prior,  
Nicholas Blair, Giles Pavey and  
Bradley Love was published in  
*Nature Human Behaviour*.

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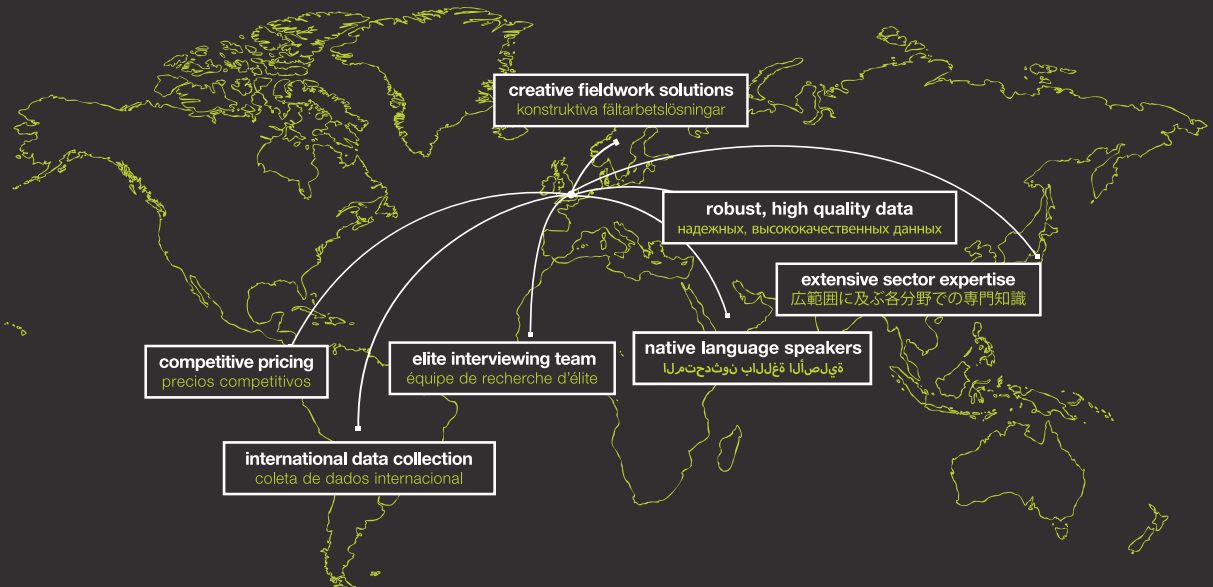


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# CASTING THE NET WIDE

IN A BID TO DITCH ACCUSATIONS OF ELITISM IN MARKET RESEARCH, KANTAR WORLDPANEL HAS ADOPTED A LESS RESTRICTIVE APPROACH TO GRADUATE SELECTION, AS **ABIGAIL MACDONALD** EXPLAINS

Our industry is a great industry in which to build a career. We work with data, yes, but our jobs are far from dry or purely mathematical. We encounter endless opportunities to investigate what makes people tick, and turn our understanding of purchase behaviour into competitive advantage for our clients. But – despite all that – there remains a serious disconnect between the reality of a career in market research and the fact that very few graduates leave university with a burning desire to enter the industry. Bridging this gap is essential in securing the best graduate talent from day one, and requires a more flexible approach.

Graduates are a huge part of our business – at our past two intakes in September 2016 we welcomed 29, with another 15 expected to join us in March. So how do we attract – and retain – the right people?

First of all, we create a level playing field. We intentionally cast the net wide in terms of academic qualifications – far from typical in an industry sometimes criticised for elitism. We look for a 2:2 in any degree, 280 UCAS points and a grade B or above for maths and English at GCSE. This means we start with a very wide variety of graduates, who are then put through a rigorous selection process. We can screen for the qualities needed, but without excluding those who might fall short by other standards. While a more traditional approach might mean accepting only science, maths or statistics degrees, we employ graduates from across the humanities too, firmly believing that it takes a variety of skills and backgrounds to build a great team.

Once our graduates have been selected, they go through an intense but supportive two-week training programme to give them the core skills they'll need throughout their career with us.

However, this strategy of using a very involved selection process is not without its challenges. Although we employ many people with outstanding academic records, there is always the risk that the academic requirements we ask for might deter high achievers who feel the business won't make the most of their skill set. It also requires a serious time commitment from senior members of the business; all candidates who pass the online tests have a telephone interview with a line manager early in the process. Our managers are engaged with the process right from the start and take a long-term view of how important recruitment is to the success of their team.

We believe our approach to recruitment pays off. Of the 80-plus graduates we recruited in 2015, some 70% are still with the business. Around half of all roles within the company are filled from within, and half our senior management started out as graduate entrants.

**Abigail Macdonald** is HR director at Kantar Worldpanel UK and Ireland



## A graduate's view

**Elodie Tinslay**

In many ways I'm a typical graduate working in market research – in that I never expected to end up here! I studied English literature and explored a few things after graduation, but still wasn't sure what I wanted to do.

Being able to train alongside other graduates was a big selling point, as was a structured training programme, regular performance reviews and the chance to progress quickly.

The lower entry requirements did make me slightly wary, but I took it as a sign that the selection process would be thorough and that a lot of training would be given on the job. I saw it as a way into a data-led industry without having a maths or science background.

When I applied, I definitely expected a role involving far more number-crunching. In reality, much of my time is spent understanding and describing consumer behaviour for clients. You do need to be numerate, but it's more about common sense – and knowing how data can be used strategically – than being a numbers whizz.

Market research might not seem like a logical progression for an English graduate, but I use the skills from my degree all the time. Storytelling is central to the work we do for brands, and how we communicate our findings is just as important as the numbers.

A variety of backgrounds is important in a team – while others can bring their science and maths backgrounds to bear, I find I'm often better at thinking creatively about a problem or communicating complex ideas in a more accessible way. We all support each other. ■

# EMPLOYMENT ACROSS THE GENERATIONS

FROM SCHOOL LEAVERS TO THOSE NEARING RETIREMENT, MANAGERS TODAY NEED TO BE ATTUNED TO THE NEEDS OF WORKERS OF ALL AGES. BY JANE BAINBRIDGE



**W**ith the retirement age being pushed back and our population ageing, businesses are going to have to learn how to manage workforces made up of a broader age spectrum.

Inevitably, dealing with 18- to 67-year-olds – and possibly older – will throw up many challenges for managers. In recognition of this, talent communications agency, Talent Works International, established its Gen Up project to research the complexities of a multi-generational workforce.

In particular, as a firm specialising in employer branding, it wanted to help clients define their brands, as well as the recruitment and retention strategies that would speak to multiple generations. In the process, it aimed to debunk some of the stereotypes gaining increasing traction across social media, such as LinkedIn.

The research was carried out among 1,200 participants across industries and locations. It consisted of 300 from each generation: Generation Z, born 1995 to 2009; Generation Y, born 1982 to 1994; Generation X, born 1966 to 1981; and Baby boomers, born postwar.

Katharine Newton, head of insight, Talent Works International, says: “We’d seen research looking at one or two of the generations but struggled to find any looking at all four simultaneously – yet that is the reality; lots of work places have that.”

Newton says that keeping an open-mind from the outset was important as it sought to discover if it was possible to have an employer brand that could speak to all four generations, or if separate strategies would be needed.

“Many people and employers assume that generations aren’t on the same page and that multi-gen is prone to conflict and disconnect, so it was heartening to find a lot of common ground between the generations.

“So, there is scope for an over-arching employer brand and recruitment strategy, but there are key areas where employers would be advised to dial up their messaging and proposition,” she says. For example, the research pointed to older generations feeling they were being overlooked in terms of training and development, and that they weren’t getting the same opportunities as younger employees.

“It’s that assumption that when you hit 50 you’ve nothing more to learn – that you know it all. But our research suggests over 50s don’t feel that way, and that there’s a strong appetite for training,” says Newton.

When meeting younger generations’ requirements, Newton suggests employers increase the frequency of their reward and recognition programme.

Geoff Pedder, lead consultant at Talent Works International, says another commonality they saw was how important communication was across the generations.

“All four generations were looking for more communication than they were receiving. The elder generation was receiving even less than younger ones. It backs up the feeling that they are thought of as not needing those updates; is that generation being seen as a waste of time?”

One of the stereotypes explored was that younger generations don’t have a strong work ethic. However, when Talent Works asked what it means to add value and go the extra mile, the younger respondents had thought about that and were quite able to articulate it.

Consequently, it recommends that employers communicate their expectations of what going the extra miles means, so that it is clear to all parties.

Becky Grove, another lead consultant at Talent Works, says one of the biggest challenges is the continued, old-fashioned idea of what the workplace is.

“Even though state pension age is getting higher and higher, people are working longer but we’re still acting like they’re not – that they don’t need to learn past 50 because they are coming up to retirement age.

“If you look at figures out there – Business in the Community did a report on age in the workplace and looked at how many people are getting work-related training – 11% over the age of 60 received some form of training and for under 50s it was 30%,” Grove says.

Newton sees that balance, for employers, of addressing the shortfall in training opportunities for the older generations – while not taking their eyes off the ball for younger generations – as the biggest challenge. However, she says one of the biggest positives that came out of its study was the degree of willingness across all generations to work together and learn from each other.

“Employers need to promote reverse-mentoring a lot more. We explored the younger boss phenomenon – young grads being fast-tracked into managerial and leadership positions, so you increasingly end up with someone older reporting to another much younger.

“We asked all the generations how they felt about that and we were encouraged to see all generations – including older people – were very comfortable with it. That’s a real positive for all employers, and something they can capitalise on.” ■

## THE JOB MARKET

### TIRED OF LONDON.... TIRED OF LIFE (OR JUST STRUGGLING TO PAY THE RENT?)

Every year, people at the first stage of their career flock to London. Why? The answers are quite simple. More opportunities, more employers, higher salaries and great diversity. London is one of the world’s greatest cities and, with so much to offer, it’s the perfect place to start a working life.

Unfortunately, the streets aren’t paved with gold, and what starts off all rosy and shiny can soon turn into a struggle for some. For the market research industry, it’s very much a practical problem. London is becoming increasingly expensive with unaffordable housing and sky-high travel costs, not to mention striking railways on the daily commute; yet, interestingly, most of the UK market research graduate schemes are offered by London-based agencies.

As a recruiter, we are now seeing that London is becoming unrealistic for many graduates or entry level researchers who don’t have family within a commutable distance. In the past six weeks alone, we have seen several people in the early stages of their career looking for a move beyond the M25.

Calculating their rent, travel costs, general living and – most likely – a student loan, it’s unlikely a graduate on an average entry level salary of say £22,000 would be able to survive in the city. The ‘out of London move’ has always been a common trend for those in their 30s, who are settling down and wanting more for their money, but not so much for those in their 20s, who are just starting out in their career. But what we are starting to witness is the possibility of our young, emerging talent – our next generation of leaders – leaving the capital because of the increasing financial pressures of living there.

“We are starting to witness our young, emerging talent – our next generation of leaders – leaving the capital”

Salaries within the market research industry are simply not competitive with the other professional services and so – with no sign of London-living financial pressures easing – it makes working in the sector increasingly unattractive. It’s becoming a real concern and, as recruiters, we are now seeing highly talented junior researchers actively seeking a move out of London so they can live comfortably elsewhere while pursuing their careers. This is obviously great news for the many brilliant agencies throughout the UK, but not so great for the agencies within the M25.

My fear is that if we don’t address the very real problems being faced by our young talent, the industry will suffer. Not today, perhaps not tomorrow, but the knock-on effect will be felt in the years to come, with the real possibility of London suffering the much talked about ‘brain drain’ and having an impact on the industry overall.

What are the answers? Well, on an issue of this magnitude, frankly we don’t have them all, but we do absolutely recognise the need for an industry-wide conversation.

Do we need to increase the starter salary to compete with other top professional services? Do we consider bringing back good old-fashioned London weighting, perhaps offer to pay travel expenses and agree to annual bonuses or tailored packages that can help support starters and attract them back into a career in market research in this wonderful, global city?

There’s no definitive answer – no one-size-fits-all – but the problem isn’t going away, so let’s talk about how we can help those who want to pursue their research career in London.

Sinead Hasson is founder and managing director of recruitment consultancy Hasson Associates.



# THE MARKET INSIGHT FORUM 2017

7th June 2017, Savoy Place, London



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MEET



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For another year running, The Market Insight Forum is sold out to research agencies, bookings are now being taken for 2018.

Client places for senior insight and research practitioners are still available, these are FOC but by invitation only.

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# DO YOU NEED A DATA PROTECTION OFFICER?

FOR SOME, IT WILL SOON BE COMPULSORY TO APPOINT A DATA PROTECTION OFFICER. **DR MICHELLE GODDARD** LOOKS AT WHICH ORGANISATIONS WILL NEED TO FILL THIS POST

As the May 2018 deadline for enforcement of the General Data Protection Regulation (GDPR) approaches, researchers need to think carefully about the actions required to ensure they are on the right compliance track. The GDPR contains some familiar data protection principles, but also introduces concepts that are relatively novel in the UK.

One of these is the compulsory appointment of a data protection officer (DPO) in specific circumstances. In Germany, DPOs are a core feature of the data protection framework, advising on compliance and acting as a contact for the data protection authority and data subjects. With the enforcement of the GDPR, this position will become more familiar across the EU.

Here are some points to consider in deciding whether, how and when you may need to appoint a DPO.

## WHO NEEDS A DPO?

The GDPR obligation applies to all organisations handling personal data (both data controllers and data processors) and the essential test is whether your core business activities involve:

- Regular and systematic monitoring of individuals on a large scale
- Processing of sensitive personal data (racial or ethnic origin; political opinions; religious beliefs; membership of a trade union; physical or mental health or

condition; sexual life; sexual orientation; biometric data used to identify; genetic health data) or data on criminal convictions and offences on a large scale

- Data-processing activity carried out by a public authority.

Guidance from the grouping of EU data protection authorities (the Article 29 Working Party) has made clearer the types of businesses that are likely to be affected. Companies processing personal data on a large scale for behavioural advertising, online tracking, fraud prevention, detection of money laundering, administering loyalty programmes, running CCTV systems or monitoring smart meters will be caught by the DPO requirement.

Similarly, in a research context, panel providers, opinion pollsters or audience measurement researchers will almost certainly need to appoint in light of the type and scale of their data collection activities. On the other hand, freelance independent qualitative researchers are unlikely to need to, as the volume of data and number of subjects whose data they process is likely to be relatively small.

If you are uncertain, it may still be useful to designate a DPO as this will assist you in fulfilling the GDPR requirement that firms be accountable, and demonstrate compliance with the key data protection principles. But be careful what you call the role. If a DPO is appointed – even on a voluntary basis – all the statutory protections will apply.

## WHAT IS THE ROLE OF THE DPO?

The DPO plays a key compliance role within the organisation and as an accessible contact for individuals and the data protection authority. As part of the role they will be required to:

- Inform their organisation and its employees of their obligations under the GDPR and other relevant data protection laws
- Monitor compliance with data protection laws and the firm's data protection policies
- Offer advice on data protection impact assessments, where requested, and monitor performance
- Cooperate with the supervisory authority
- Act as a point of contact for the supervisory authority.

## WHAT SKILLS ARE REQUIRED?

The appropriate level of expert knowledge relates to the data-processing operations carried out and the level of protection required for the personal data being processed. For example, if the activity is complex, or involves a large amount of sensitive information, the DPO may need a higher level of expertise and support.

Essential skills and expertise to look for include:

- National and European data protection laws and practices, including an in-depth understanding of the GDPR
- Understanding of the processing operations carried out
- Understanding of information technologies and data security



- Knowledge of the business sector and the organisation
- The ability to promote a data protection culture within the organisation.

## WHO SHOULD I APPOINT?

Businesses that appoint a DPO must have the necessary resources to fulfil the job and grant the DPO significant independence with a direct reporting line to the highest management level. This is underpinned by statutory protection for their job security that expressly prevents dismissal or other sanctions on grounds that relate to their performance of the DPO tasks.

You can appoint internally or outsource the position. If you choose an internal DPO, they cannot be responsible for tasks that conflict with independence; avoid people in senior managerial or information technology roles.

## NOW IS THE TIME TO ACT

Transparent and efficient handling of personal data via a DPO can help your organisation gain a competitive advantage, particularly in terms of public perception and reputation. So:

- Determine whether having a DPO is necessary or desirable
- Decide between outsourcing the role or appointing an employee
- Consider any conflicts of interest before appointing a current employee to a shared DPO role
- Ensure sufficient autonomy and resources
- Once appointed, publish contact details and advise the Information Commissioner's Office.

Failure to appoint a DPO, where required, can lead to fines of up to €10,000,000 or 2% of a firm's worldwide turnover, depending on which amount is higher. Qualified people may increasingly be in short supply, so review your activities and make an early decision. ■

**Dr Michelle Goddard** is director of policy and standards at MRS



## It's time to spruce up the sector

It's April, and with it comes the temptation to do a little spring cleaning: a light dusting around the business plan; a fresh lick of paint across your marketing.

This won't be enough. With clients' discretionary spend still under review and what WPP describes as 'tepid economic growth' there is no room for complacency.

Last month's annual conference – our largest ever – took 'Future Fit' for its theme. Based on the mood in the room, the desire to futureproof businesses is urgently felt.

The role of research and insight here is critical. New market realities are increasingly unpredictable, and the impact of not adapting is far-reaching and potentially terminal. Being customer-centric is indispensable insurance against the threat of competition and the risk of becoming irrelevant.

Two new and important initiatives were announced at the conference that echo this future fit theme. We said a fond farewell to the wonderful Dame Dianne Thompson as she handed over to Jan Gooding, pictured, the new president of MRS. In her first speech Jan who, apart from being global inclusion director at Aviva, is chair of trustees at Stonewall, said she would make our new initiative on inclusion a key priority of her presidential term.

Our preliminary findings in research conducted for MRS by Lightspeed showed that, although the research sector was better than many others, there remain clear inequities that we need to address if we are to provide real insight, and to reflect society and consumers to our clients and stakeholders.

Issues remain around the number of women at senior levels. There are worrying indications that disparity in pay between men and women in comparable roles, as well as a definite 'not good enough' on BAME representation. A future cause for concern was the small number of people in our sample prepared to declare a disability issue.

We will be publishing the report in full shortly and have taken up the challenges thrown down by our respondents to the survey to do what we can – as your professional body – to support improvements.

As we continue to fight post-truth syndrome because 'evidence matters', we know the future of our sector is secured only by the breadth of the talent we attract and



retain. Talented individuals must believe that this sector will remove barriers to achieving the success their hard work and skills deserve. So to us 'inclusion and opportunity matters'.

We have no preponderance of fixed assets, factories or fleets, as others do. We create intellectual capital, not buildings. This is why our people matter so much and I look forward to working with Jan Gooding and all of you on this project, which is, above all, about giving talent the freedom to achieve.

Last year's Delphi group report 'Towards an insight driven organisation' found that the world of business still has some way to go before it can be considered insight driven.

Such transformation requires, among other things, the right skills and talent, which is why we have launched the young researcher network & more, and put data analytics high on the agenda in our new training programme.

To return to the spring-cleaning theme, what I'm really talking about is a deep and rigorous cleansing for the sector, removing the build-up and blockages that disrupt the flow of insight across the organisation. Re-papering over the cracks each year just won't do anymore.

**Jane Frost CBE, chief executive, MRS**  
[jane.frost@mrs.org.uk](mailto:jane.frost@mrs.org.uk)





# MY SOCIETY



## Best of Impact 2017

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- Short interviews with delegates and panellists on the sector's most pressing issues.

Visit [mrs.org.uk/bestofimpact](http://mrs.org.uk/bestofimpact)



## MRS launches &more

&more is a new support network for young professionals working in research, insight and analytics. A professional network and educational community, &more has

been designed by industry experts to excite and engage talent, enabling young professionals to progress effectively in their careers. Find out more here and forward the link to anyone you think might be interested. Visit [mrs.org.uk/andmore](http://mrs.org.uk/andmore)



## New guide to personalisation using social media

#IPAsocialworks – a cross-industry collaboration between MRS, IPA and the Marketing Society

– has published the third in a series of guides to using social media effectively and measuring the outcomes. MRS members can download the guide with a 50% discount on the IPA website (down from £60 to £30), quoting the following code: **MR550**

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- Your MyMRS member web account gives you access to all MRS content and services.
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## Calendar

### Member events

#### April

- 24 – *IJMR* lecture, London
- 26 – Mapping and representation, Bristol
- 27 – Re-storying research, London

#### May

- 10 – Storytelling for Insight, Manchester
- 18 – 'Report it to stop it', Preventing sexual harassment on public transport, London

#### June

- 22 – The power of localised advertising, London

### Training highlights

#### April

#### 3 – Innovation Programme Delivery in Client Insight Teams

Whether it is disruptive, radical or incremental, a structured approach to innovation and well-led project management is essential.

#### 6 – Introduction to Marketing

Understand the daily needs, demands and expectations of marketing people and their clients.

#### May

#### 4-5 – Game-Based Research Methods

Learn how to use gamification to engage your communities or individual participants, whatever their ages and location.

#### 17-18 – Advanced Semiotics

Understand how best to decode and creatively reconfigure brand communications in their cultural contexts.

#### 5 days in May/June – Advanced Qualitative Practice

The steps to uncovering why people do what they do are taken inside the safe territory of an empathic inquiry.

#### June

#### 6 – Facilitating Action from Insight

For those responsible for delivering insight to a broad range of business stakeholders, ensuring action is taken after the debrief.

#### 23 – Understanding Consumer Behaviour

Much of the data we collect may not be how consumers really think or behave, but how they think they do. Find out how to reappraise our methods.

### Conferences

#### May

- 2 – Geodemographics in a digital age, London
- 11 – Travel and Tourism, London

#### June

- 15 – Media Research Summit, London
- 29 – B2B Research Conference, London

Find out more at [mrs.org.uk/events](http://mrs.org.uk/events)

# Where next?

You've reached the end of *Impact*, but there's plenty more original content to enjoy in the MRS's family of publications, including Research Live and *IJMR*

RESEARCH-LIVE.COM



IJMR

**Improving the experience of survey participants**

Harvir Bansal, James Eldridge, Avik Halder and Roddy Knowles look at how to balance survey length with relevance, engagement and the amount of material covered.  
[www.mrs.org.uk/shorter-interviews](http://www.mrs.org.uk/shorter-interviews)

**Using laughter to find new brand stories**

Steve Hales, head of Firefly Kantar Millward Brown, explains how consumer theatre workshops are more interactive and co-creative than other qualitative techniques and produce improved responses.  
[www.research-live.com/laughter](http://www.research-live.com/laughter)

**Twitter doesn't have the answer**

Just because social media data, such as from Twitter and Facebook, is easy to access, it doesn't mean it's the most relevant to researchers looking for insight into product performance or reviews, says our analytics blogger, Frank Hedler.  
[www.research-live.com/not-the-answer](http://www.research-live.com/not-the-answer)

**Successful dashboard implementation**

This paper by Alexander Skorka examines how dashboard applications might be transformed to maintain interest and user attention.  
[www.mrs.org.uk/dashboards](http://www.mrs.org.uk/dashboards)

**Time to rejuvenate market research**

Market researchers must defend the statistics and methodologies and speak up for evidence, accurate measurement and robust data, argues Route's general manager, Euan Mackay.  
[www.research-live.com/rejuvenate](http://www.research-live.com/rejuvenate)

**The rise of the mind economy**

Why has behavioural science moved up the agenda so rapidly? Ipsos's Colin Strong says a strong case can be made that it represents a structural change to the market.  
[www.research-live.com/mind-economy](http://www.research-live.com/mind-economy)

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