

Market Intelligence

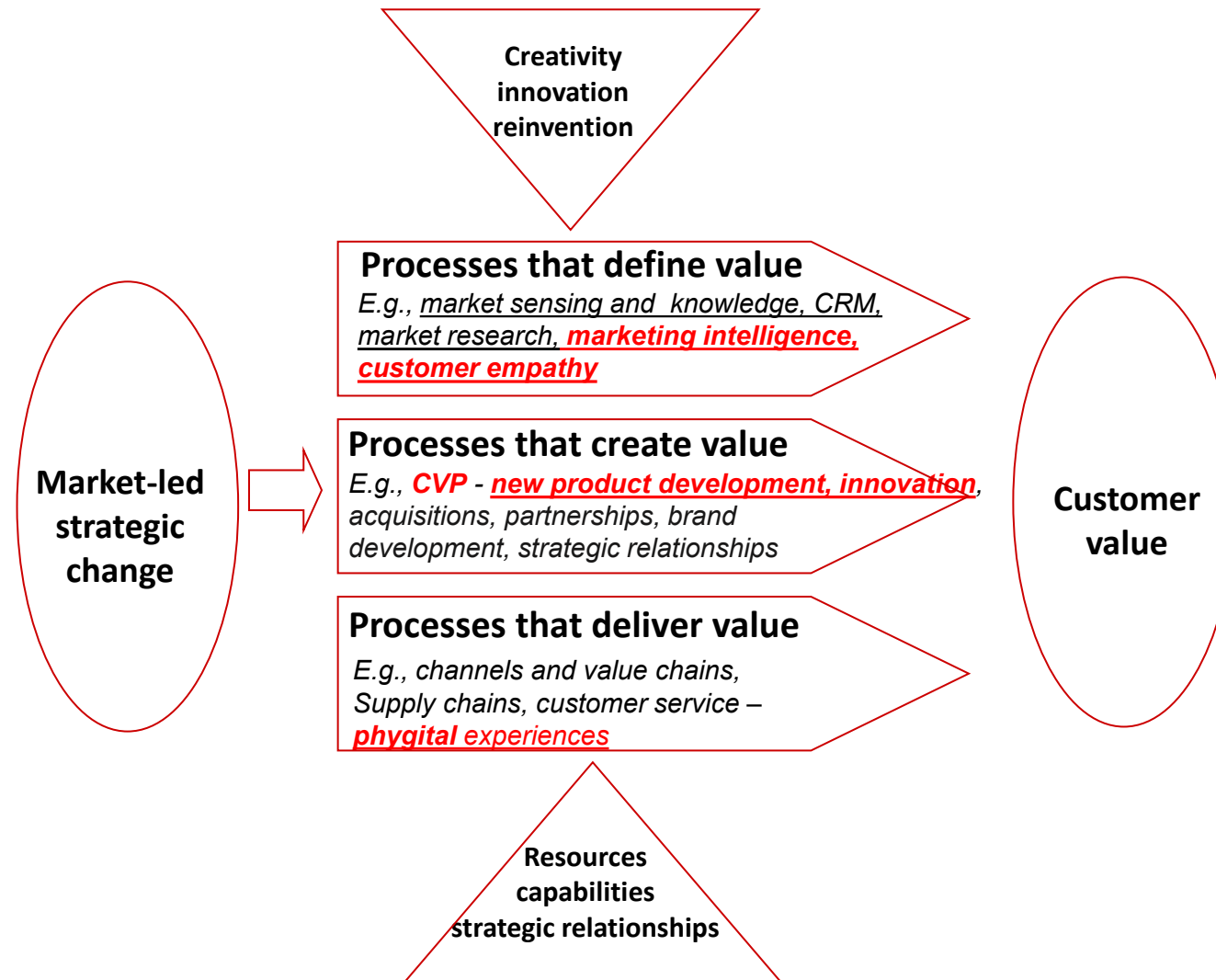
Dr Jacqueline Harris

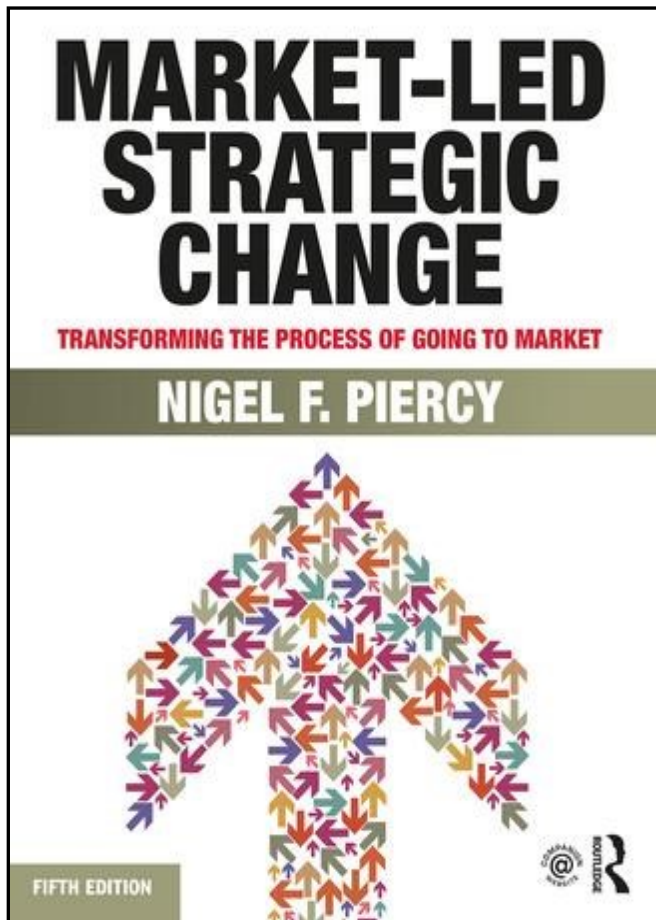
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A process perspective on going to market





Market-Led Strategic Change, 5th edition, has been fully revised and updated to reflect the realities of 21st century business and the practical issues for managers in the process of going to market.

In particular Chapter 6 – Market Sensing and Learning Strategy

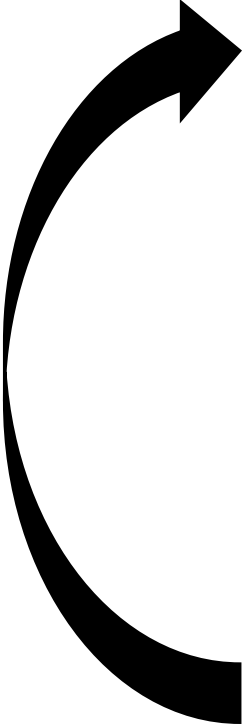
- Customer experience
 - Framework (Batat, 2019)
 - Concepts related to experience
 - Also good research process insights



Building blocks for value-based strategy and product development



Market research, insights, sensing, intelligence?



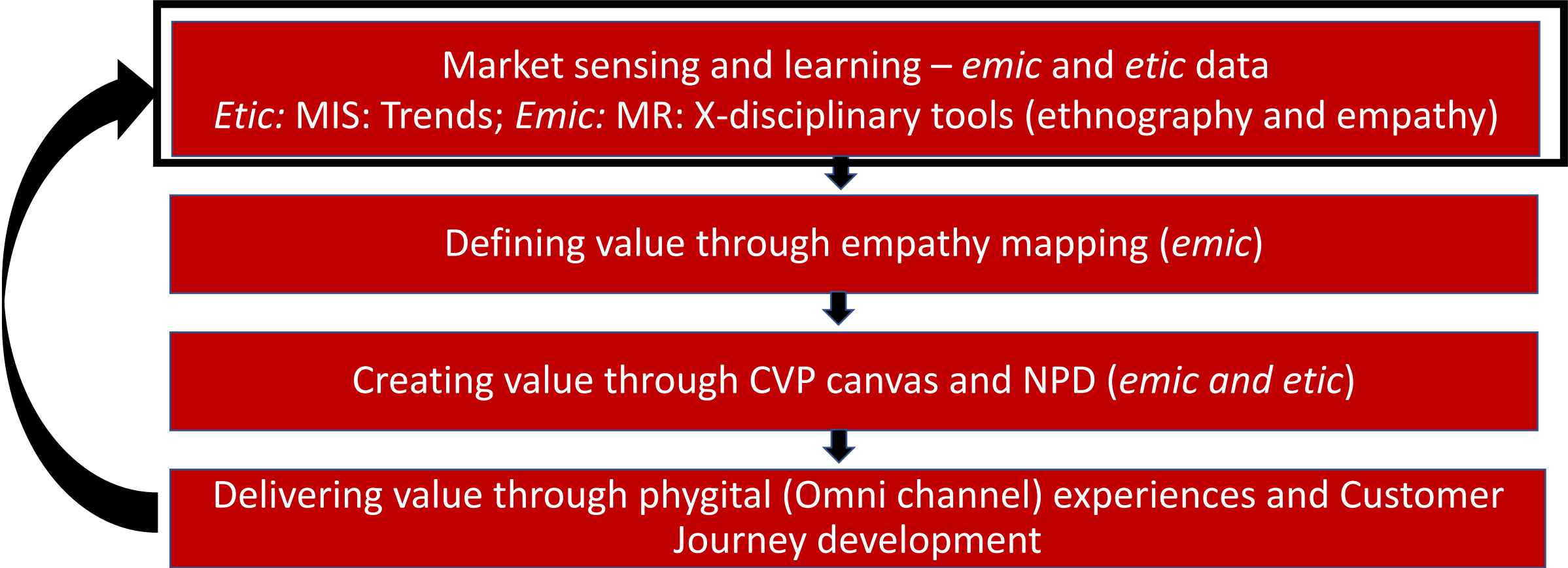
Market sensing and learning – *emic* and *etic* data
Etic: MIS: Trends; *Emic*: MR: X-disciplinary tools (ethnography and empathy)

Defining value through empathy mapping (*emic*)

Creating value through CVP canvas and NPD (*emic and etic*)

Delivering value through phygital (Omni channel) experiences and Customer Journey development

Market research, insights, sensing, intelligence?



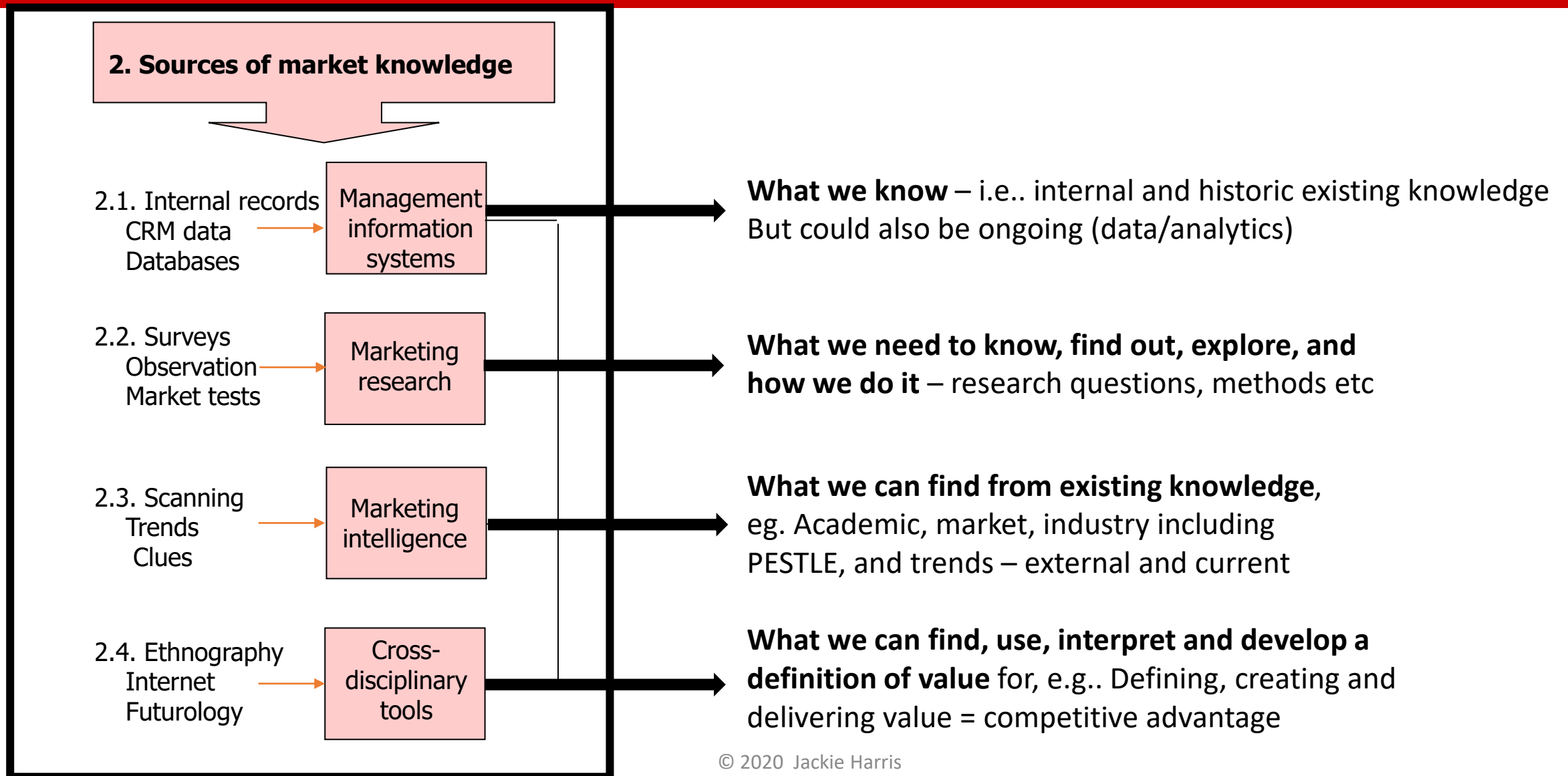
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Marketing Sensing and Learning – processes that define value



Emic and etic perspectives in the experiential marketing mix (Batat, 2019)

Emic and etic perspectives in consumer research

- In using emic and etic perspectives in the understanding of consumer behavior, attitudes, and cultural consumption schemes as well as using them to generate consumption experiences that are both intellectual and perceptual, these two thoughts underline conflicting standpoints, as they analyze behaviors by considering either the perspective of the insider (observed: consumer) or the outsider (observer: company).

Individual

‘Tribe’ – broader
‘social’ context

TABLE 10.1 Emic vs. etic	
Emic	Etic
Study of consumer behaviors from inside the system	Study of consumer behavior by taking up a position outside of the system
Examine a single consumption culture or subculture	Examine several consumption cultures and compare them
Hidden meaning of consumption practices revealed by the analyst/observer	Consumption meaning created by the analyst/observer
The criteria are considered valid inside the system	The criteria are considered universal

2.1.Internal records
CRM data
Databases

Management
information
systems

2.4.Ethnography
Internet
Futurology

Cross-
disciplinary
tools

2.3. Scanning
Trends
Clues

Marketing
intelligence

2.2. Surveys
Observation
Market tests

Marketing
research

Three Things that are Abundant

We all sense that we're living at a moment of system-wide transition. But what is the nature of this shift? An examination of three newly-abundant goods can help us to get a handle on that question ([NWSH – David Mattin](#))

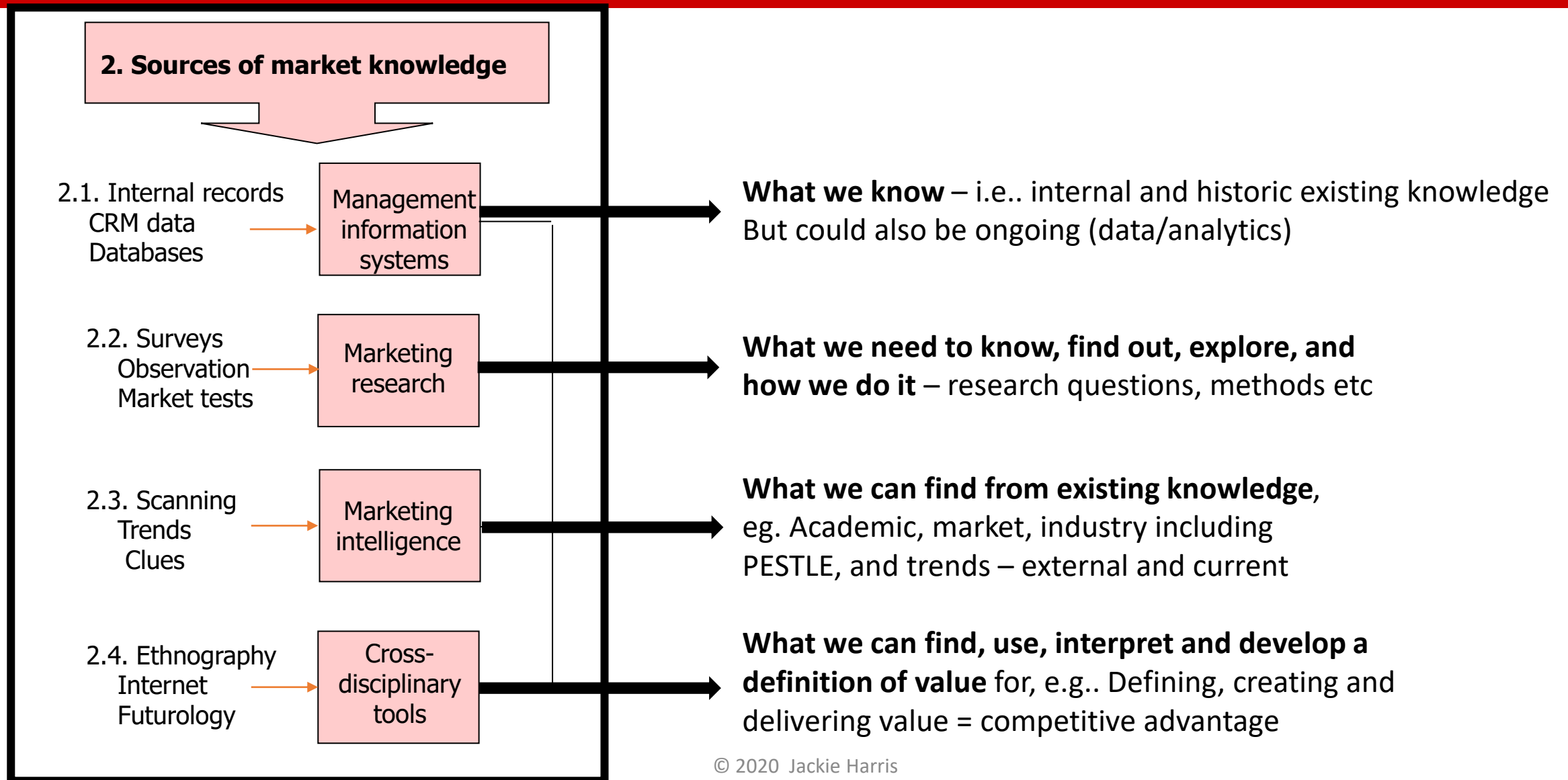
- 1. Information**
- 2. Capital**
- 3. Intelligence**

Three Things that are Scarce

So what lies ahead? Previous historical ages – agrarian, industrial – were defined by the primary constraint on human activity: land and capital respectively. So to understand the nature of life inside the knowledge age, it pays to look at what will be scarce.

- 1. Knowledge**
- 2. Attention**
- 3. Connection**

Marketing Sensing and Learning – processes that define value



2. Sources of Market knowledge

Defining Marketing (Research) generically

- Marketing is an ...activity, set of institutions, and processes for ...
- Creating, communicating, delivering, and exchanging offerings...that have value for customers, clients, partners, and society at large
- (Kolb, 2019)

2. Sources of Market knowledge

Why knowledge matters

- Understanding customers and markets
- Knowledge intensity
- The crunch questions
 - What do you know?
 - What do you know that the competition doesn't?
 - Where does that insight produce a competitive edge and advantage?
- What business *are* we in?
- What business *could* we be in?
- What business *should* we be in?

2. Sources of Market knowledge

Black swans and white swans (Taleb, 2007, cited by Piercy, 2017, p248)

- Black swans are highly improbable events - 17th century news of the first sightings of Black swans in Australia – No amount of observation of white swans can allow the inference that all swans are white, but the observation of a single black swan can refute that conclusion (Mills)
 - Highly unpredictable – they are outliers beyond the realm of regular expectation
 - Massive impact
 - We avoid learning – we try to make it appear less random and more predictable than it actually was
- The impact of what we don't know that we don't know
- The priority for better learning processes

2. Sources of Market knowledge

Big data or small data?

- Big data – vast caches of data with very sophisticated analytics
- Answer the question “what” not “why” Small data – tiny clues to uncover huge trends
- Answer the question “why”
- Superior learning will use both in partnership
- GDPR

2. Sources of Market knowledge

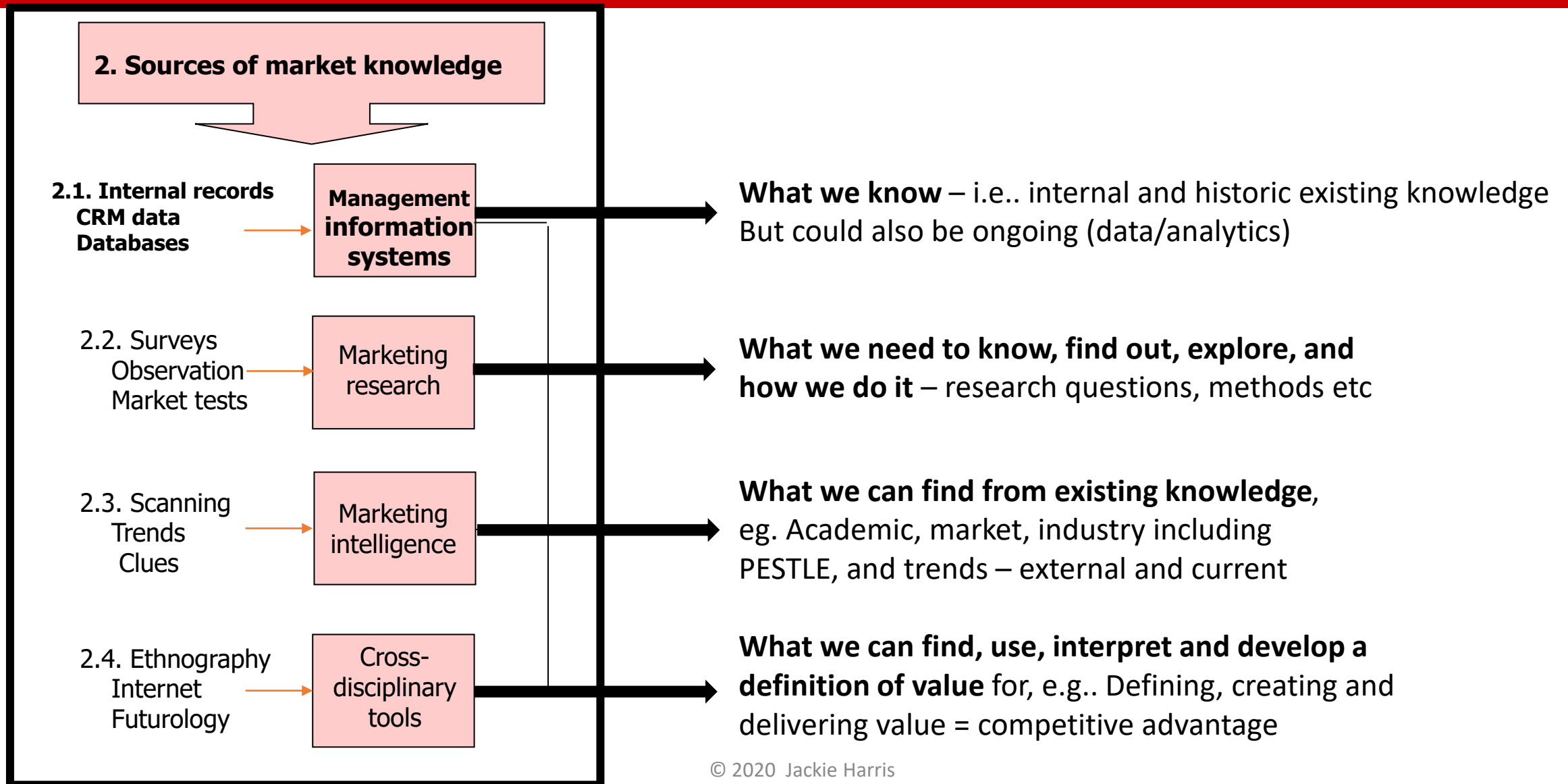
- What is the difference between market sensing and marketing research?
 - Process (of sensing) versus techniques (of MR)
- Limitations of conventional market research
- The elephant in the market (p.260)

2. Sources of Market knowledge

Ethical Research (GDPR and codes of conduct)

- Never conduct research where the search for truth is compromised
- Always be honest with research participants
- At all times protect participants from harm

Marketing Sensing and Learning – processes that define value



2.1. Internal records: CRM data, databases...

Obtaining Existing Information (internal to the organization/company)

- Finance Department
 - revenue and sales figures
- Purchasing
 - change in raw materials or production quality
- Human Resources
 - change in employee skills
- Sales Staff
 - customer comments on product

2.1. Internal records: CRM data, databases...

Institutions that collect secondary data

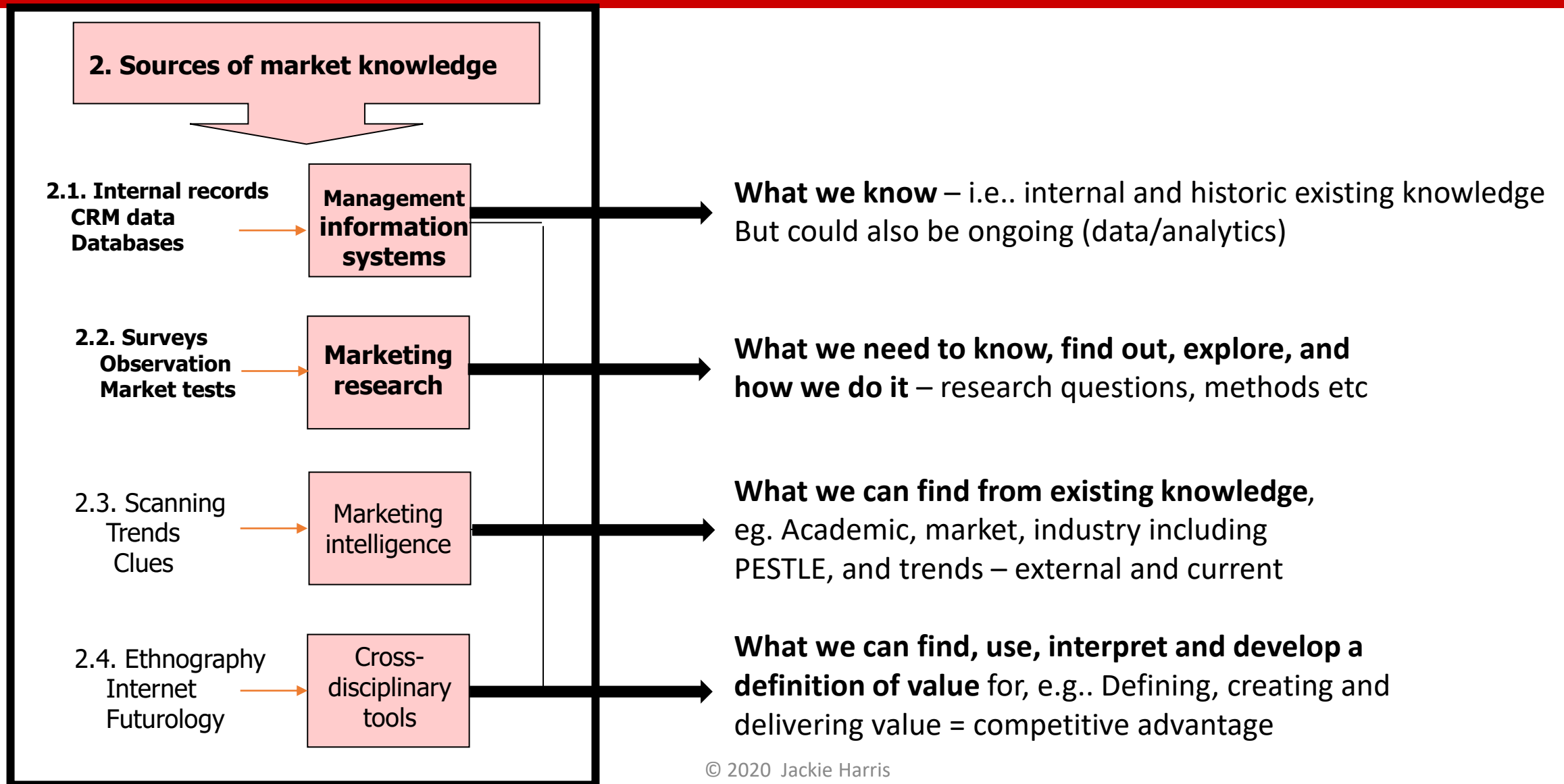
- Educational institutions
- Government departments
- Trade associations
- Social media sites
- Commercial data provider

2.1. Internal records: CRM data, databases...

Obtaining Information

- Interview staff
 - have questions prepared
 - ask for examples
- Social media
 - analytics
 - segmentation information

Marketing Sensing and Learning – processes that define value



2.2. Surveys, Observation, Market tests

Research Methods

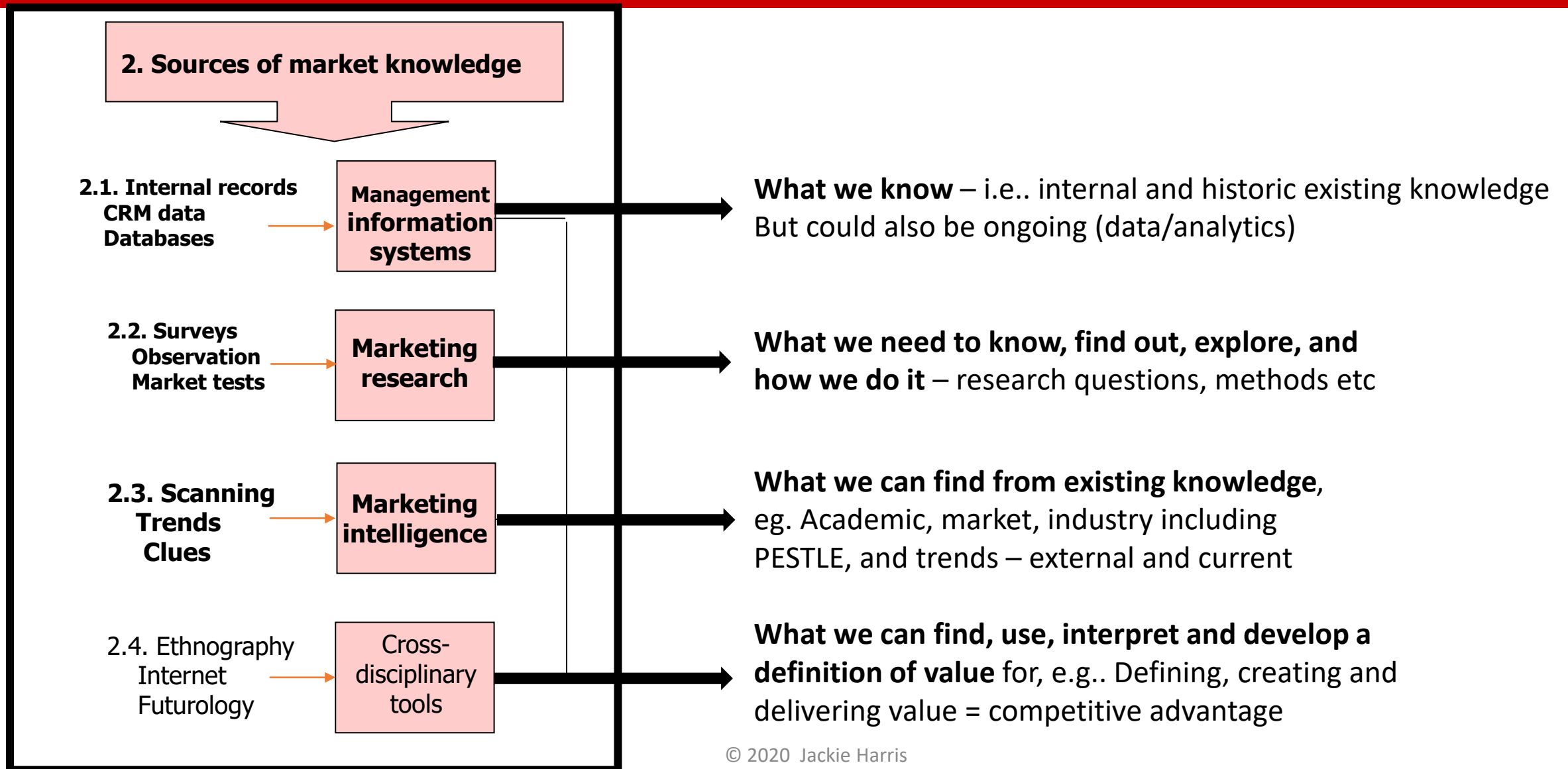
- Survey
 - set of pre-determined questions
- Focus groups
 - group dynamics to draw out responses
- Interviews
 - one-to-one in-depth discussion
- Intercept interviews
 - two to three short questions asked
- Projective techniques
 - creative ways to get emotional responses
- Observation
 - watching people's behavior and actions
- Netnography
 - studying people in an online community

2.2 Surveys, Observation, Market tests

Quantitative Research vs Qualitative Research

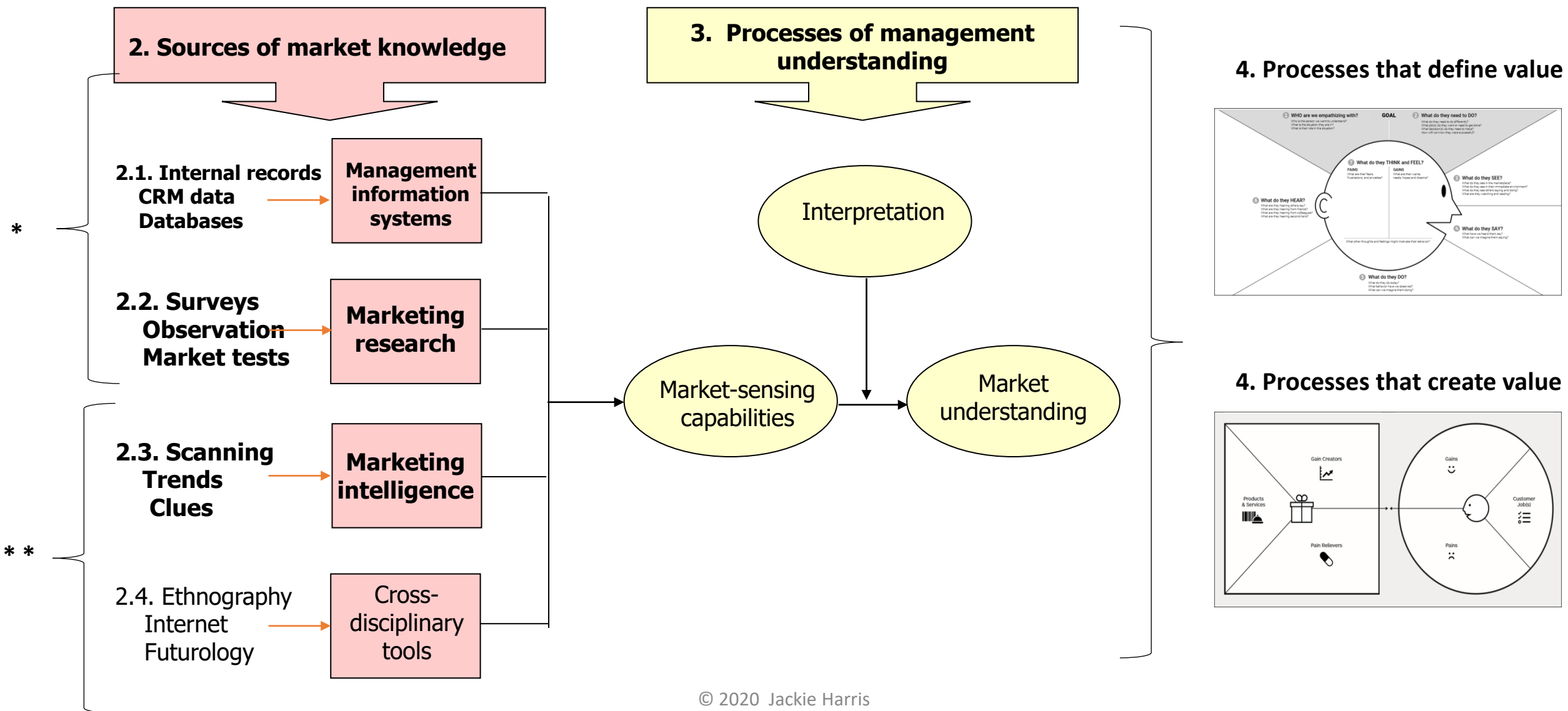
- Use quantitative research when
 - looking for factual information
 - answers need to be expressed numerically
 - an answer needs to be proved
- Use qualitative when
 - looking for ideas and opinions
 - answers do not need to be expressed as percentages or statistics
 - need insights for new customers and products

Marketing Sensing and Learning – processes that define value



Break – 10 mins

Marketing research* versus market sensing** – processes that define value



2.3. Scanning Trends (clues)

Benefits of conducting secondary research

- Lower cost
 - research done by others
- Research answers
 - previous research may provide information needed
- Methodology design
 - ideas for primary research
- Industry information
 - context on research issue

2.3. Scanning Trends (clues)

Secondary Data Requirements

- Relevant
 - must address the issue being researched
- Credible
 - source is a respected provider of information
- Timely
 - data are not outdated
- Accurate
 - data are correct
- Affordable
 - if not free company can afford the data

2.3. Scanning Trends (clues)

Secondary Research: External environment

- Political
 - Left/right – middle ground
- Economic
 - growth or decline
- Social
 - changes in consumer preference
- Legal
 - new laws or regulations
- Technological
 - new products
 - new processes
- Environmental
 - Policies
 - Pressure groups

2.3. Scanning Trends (clues)

Secondary Research: Industry

- Trends in product consumption
- New entrants into marketplace
- Competitor growth or decline
- New technology invented

Secondary Research: Consumers

- Current customer segment preferences
- Potential consumer segments preferences
- Changes in demographics
- Changes in psychographics

2.3. Scanning Trends (clues)

Tracking Information

- Record name of the publication
- Date of source
- Source where found
 - website
 - database
 - document and the date of the source.
- Enter information into a software database program

2.3. Scanning Trends (clues)

Sources of quantitative secondary data

- Academic researchers
- Trade associations
- Government sources
- Social media sites
- Marketing research firms
- Popular magazines
- Business and trade publications
- Websites and social media

2.4 The cross-disciplinary tools

The cross-disciplinary tools standing between measurement and management understanding

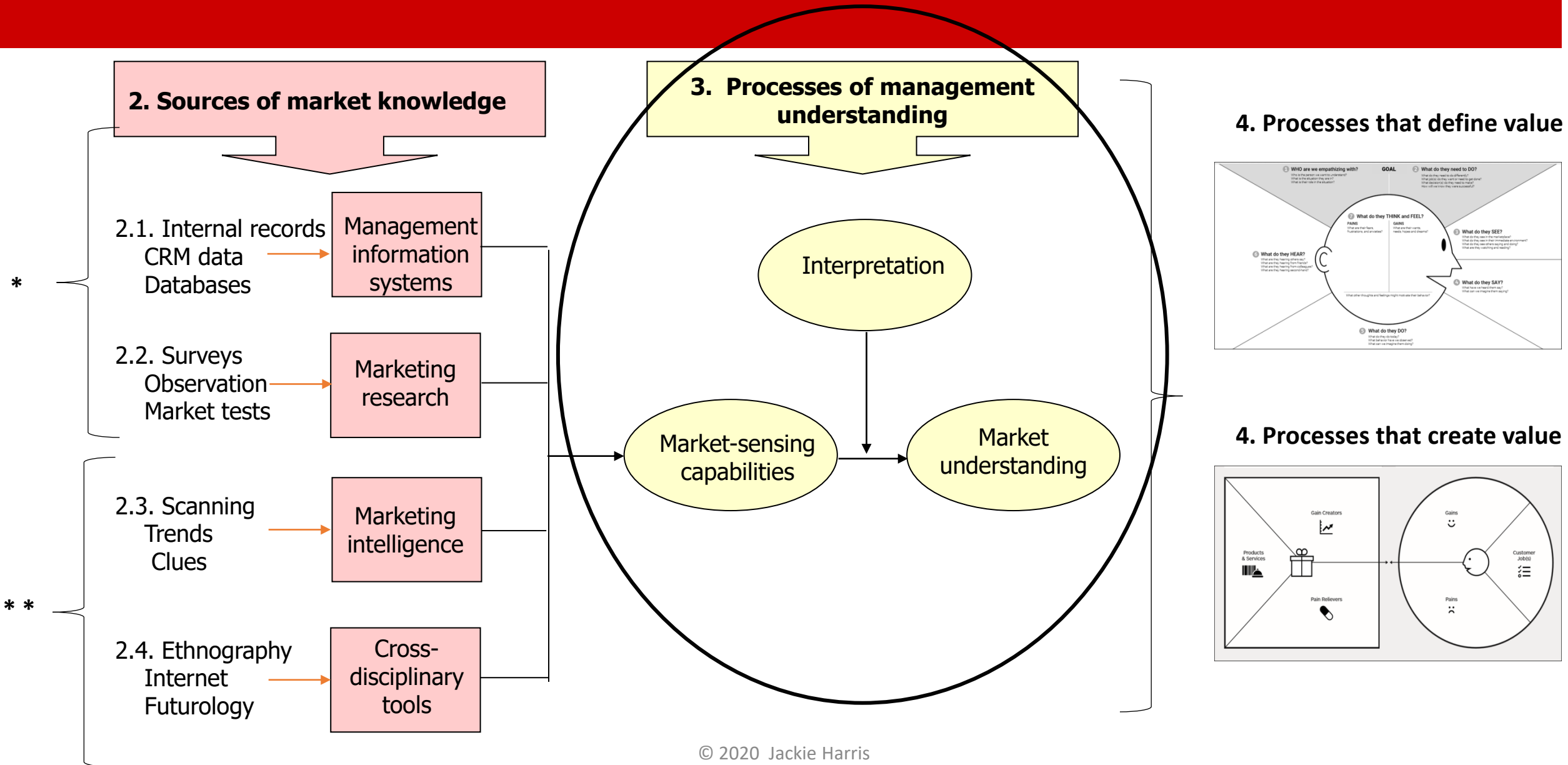
- Ethnography
 - Hidden in plain sight
 - Neuromarketing
- Internet sensing
 - The wisdom of crowds
 - Blogs
 - Social media (netnography)
- Futurology
 - New scenarios
- Customer experience
 - Framework (Batat, 2019)
 - Concepts related to experience
 - Also good research process insights



Research techniques: Which should I use?

The best and most accurate customer/market intelligence
are built with a combination of data.

Marketing research* versus market sensing** – processes that define value



3. Processes of management understanding

- Market sensing capabilities
 - Messy, qualitative, subjective and incomplete
 - Precise measurement is not the only route to understanding
- Interpretation
 - Information analysis vs common sense
 - Process of interpretation – holistic rather than one-single source
 - Hard vs soft analysis – data vs scanning and making connections, uncovering new markets? (what business could we be in?) –looking for clues
 - Thematic, coding, images etc
- Market understanding
 - No longer about assumptions, stereotypes, requires a deep immersion in the customers life, rather than asking questions
- Helps develop personas and sub-personas (more later)

Market research, insights, sensing, intelligence?

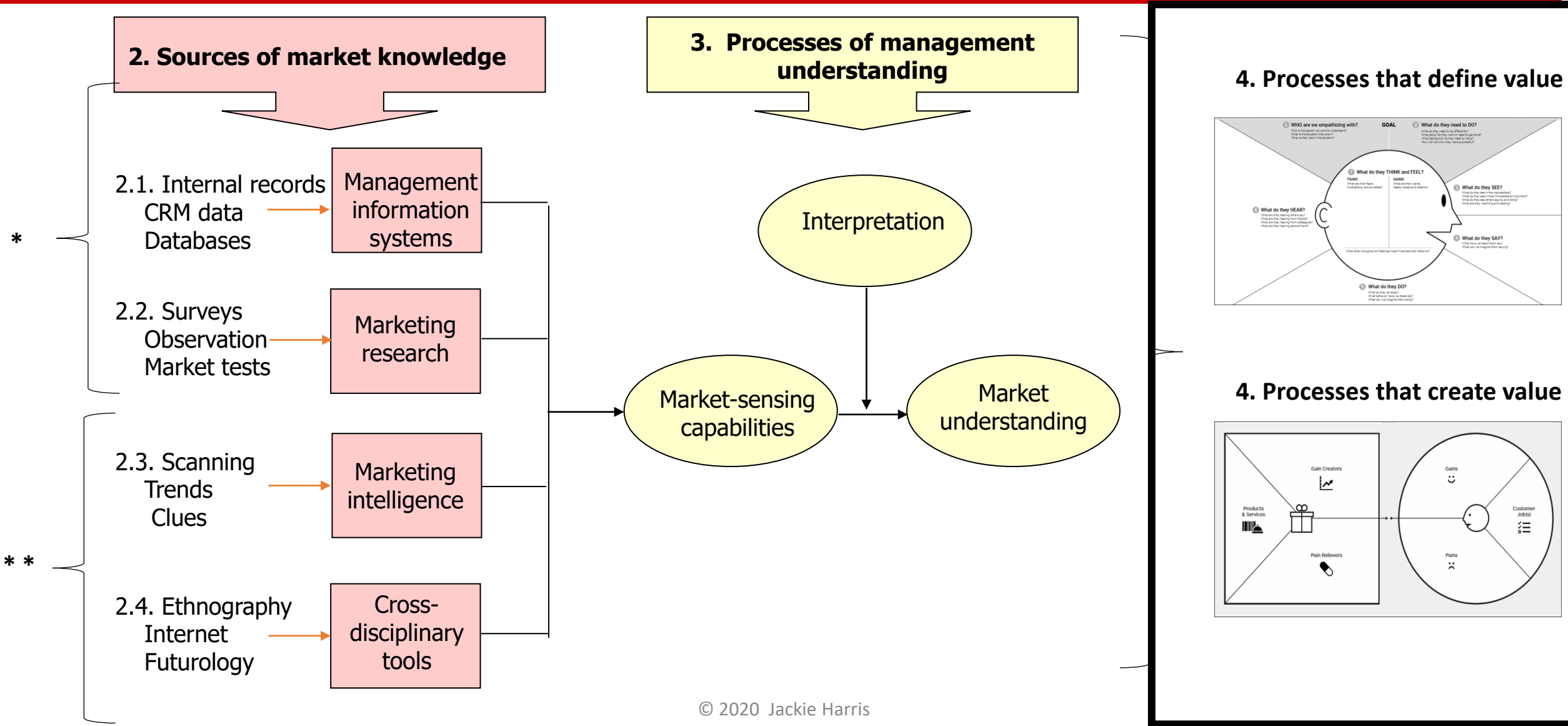
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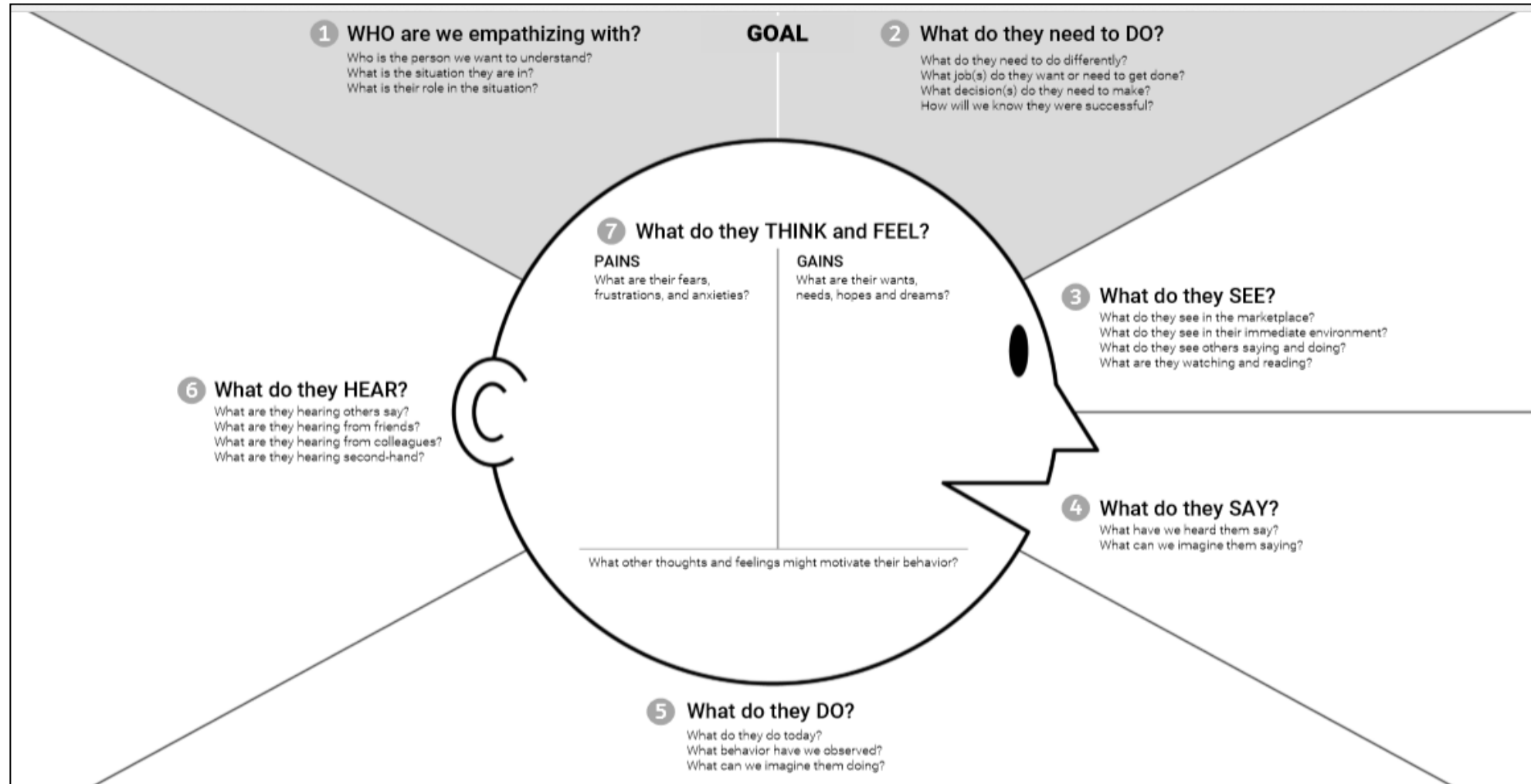
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Marketing research* versus market sensing** – processes that define value



4. Processes that define value: The empathy map – emic (Batat, 2019)



Resources & readings

Resources

- A day in the life worksheet
- Customer jobs trigger questions
- Customer pains trigger questions
- Pain reliever trigger questions
- Customer gain trigger questions
- 'How might we' questions

Reading: Piercy (2017 ch 6) & Batat, (2019, chs 4, 8, 11 & 13)

Cases: *The bicycle firm that wants to keep older people pedalling* (PDF)
The deadly truth about a world built for men (PDF)

Blank Model persona template

Persona	Name	<i>Use a real name</i>	Photo
	Type	<i>e.g. Primary persona, secondary</i>	
	Decision role	Importance of role in family/business	
Demographics	Age		
	Gender		
	Buying unit	Other decision makers and influencers?	
Decision making	Style	Product evaluation style Timing 'decision horizon'	

Personal and home	A narrative description of their personal situation Optional - include beliefs related to purchase
Work	A narrative description of work - current role Position on career ladder / time in service Industry Size of their team

Goals and motivations	- List their general personal and business goals - List specific goals related to buying scenario if relevant
Barriers and Challenges	- List their general personal and business 'pain points' - List specific 'pain points' related to buying scenario
Our key messages	- List unique differentiating features related to above

Buying scenario	Why persona may have a need for product? How it fits with their lifestyle or situation? How product need fits with decision making style? Include category spend if appropriate?
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Preferred media	Magazines and newspapers / online and off
Social media use	Primary social network use Frequency
Devices	Preferred smartphone or desktop Daily hours and dayparts

Customer journey map			
	Stage 1: Awareness (Discover)	Stage 2: Evaluation (Compare)	Stage 3: Decision (select)
Media touchpoints	Search engines main technique with defined need Demand generation through ads and PR	E.G. Comparison or review sites Asking friends on social media	Brand searches Detailed review sites
Key questions	List questions when they visit site	List questions when they visit site	List questions when they visit site
Searches	Short, generic search terms 'What's out there' List terms	Reviews and cost searches List terms	Local searches for local providers List terms
Key content (Types and formats)	List preferences for content formats and topics Show gap - required against actual available	List preferences for content formats and topics Required against actual	List preferences for content formats and topics Required against actual
Interactive tools	Top of funnel interactive content (TOFU) Show gap - required against actual available	Middle of funnel interactive content (MOFU) Required against actual	Bottom of funnel interactive content (BOFU) Required against actual

This approach combines Personas and customer journey mapping to help operationalise personas by relating to search behaviour, content, tools provided on the website.

Persona	Name	Robert		Personal and home	Lives in Boulder, CO Keen snowboarder and ultra-runner in summer Married for 5 years
	Type	Primary persona			
	Decision role	Main decision maker in startup			
Demographics	Age	35 y.o.		Work	CTO responsible for service availability Online Diet service / startup Serving consumers 12 people in development, design and infrastructure
	Gender	Male			
	Buying unit	Reports to COO, CFO and CEO			
Decision making	Style	Product evaluation style 5 month timescale to deployment			

Example B2B Persona

Goals and motivations	- Demand spikes are jeopardising the growth of the business - Wants to focus on core competencies - developing customer proposition - Looking to reduce costs and internal admin time
Barriers and Challenges	- New year spikes are literally keeping Robert awake at night - Needs 10+ web servers, multiple database servers and load balancer - Want to support 10 million uniques maximum per day - Only 5 months to deploy before Christmas spike - Not sure about using a third party or direct to AWS, Azure
Our key messages	- Speed to market - Flexibility to grow with you - Your dedicated support team

Buying scenario	Robert is seeking a managed cloud (Infrastructure as a Service, IaaS) to scale virtual server space, processors, bandwidth and load balancers Has to make business case to 3 more senior colleagues Since launch 2 years ago the company has seen rapid growth with a 50X revenue growth in the previous year involving 300K average daily site visits with spikes up to one million daily uniques requiring IaaS Previously had a part time system admin responsible for up-time
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Preferred media	Work: CIO.com, Quora, Stackexchange for queries Home: Medium blogs, Boarding and Ultra magazines
Social media use	Work: Twitter (for keeping informed); LinkedIn (for career) Home: Facebook and Instagram (daily)
Devices	Macbook Pro Latest iPhone

Customer journey map				
	Stage 1: Awareness (Discover)	Stage 2: Evaluation (Compare)	Stage 3: Decision (select)	
Media touchpoints	Google Quora CIO.com	Clouds360.com G2Crowd.com itadvisory.com	G2Crowd.com Brand searches	
Key questions	Cost savings for business case Time to implement? Potential risks	Independent service quality assessments? Implementation project tasks Cost breakdown	What happens when there is downtime? How do I escalate? How is agreement purchased?	
Searches	IaaS Benefits and risks Cloud-based servers Virtual servers and load balancers	Top IaaS providers Managed cloud providers Support quality IaaS	IaaS reviews Azure vs Amazon Web Service Pricing Azure vs AWS	
Key content (Types and formats)	Proof points - speed to market Benefits of managed cloud (top-level video and whitepaper) Process of migration	Gartner magic quadrant Service levels Implementation case studies/success stories Why 'company name'	Detailed service level agreement How it works - dedicated support contact Details of team certifications for AWS Options when major problem/deadline?	
Interactive tools	Cost savings calculator	Webinar on how to choose a cloud service	Video case study of onboarding	

Example B2C Persona

Persona	Name	Jessica
	Type	Primary
	Decision role	Main, but advised by partner
Demographics	Age	30 y.o.
	Gender	Female
	Buying unit	In current relationship for 2 year
Decision making	Style	Self-directed, humanistic Looking to have procedure in 1 month



Personal and home	Lives in rented accommodation in London Jessica has a professional demeanour in keeping with her role and wants to seem dynamic and efficient to her colleagues
Work	Legal secretary Has worked in one company since she graduated Legal firm 20 people

Goals and motivations	• Short-sighted (myopic) • Wants to appear younger, 'less serious', but dynamic • Wants to move to another practice
Barriers and Challenges	• Concerned she has been in current role too long • She is saving for a flat so concerned about one-off costs • Unsure about the success rate of treatment • Does it always give 'perfect vision' • Doesn't know about technical options
Our key messages	• Freedom from glasses • Low interest plans to spread the cost • Free 'Eyepredict report' and consultation • Established provider

Buying scenario	Jessica is considering laser eye surgery since she wears glasses and this doesn't project the appearance she wants She is aware there are risks, but considers the procedure common, so is looking for reassurance rather than in-depth information She doesn't want to spend too long researching, but just 'get it sorted' and will choose the most popular option in her target price range
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Preferred media	News: Guardian and Huffington Post Fashion/Celebrity: Elle; Room Magazine
Social media use	Facebook, Instagram daily LinkedIn as required by work
Devices	Desktop at work Samsung Galaxy smartphone, iPad for home use

Customer journey map			
	Stage 1: Awareness (Discover)	Stage 2: Evaluation (Compare)	Stage 3: Decision (select)
Media touchpoints	Google She has seen TV and print ads for other providers	All About Vision Laser Eye Surgery Hub Lasik Eyes	Brand searches As left
Key questions	Q. What is the risk level? Q. What are the payment options (plans available)?	Q. What are technical options, e.g. Lasik	Q. Where are clinics? Q. How do the facilities look? Q. Who are the surgeons?
Searches	<i>Laser eye treatment</i> <i>Laser eye surgery</i> <i>Laser eye surgery risks</i>	<i>Compare laser eye treatment</i> <i>Lasik eye treatment</i> <i>Laser eye treatment London</i>	<i>Lasik London</i> <i>Brand name + location</i>
Key content (Types and formats)	List preferences for content formats and topics Comparison table of costs and plans	Testimonials - real, detailed stories Includes video	Map of locations Local clinic
Interactive tools	Celebrity video testimonial	Interactive explainer/quiz - is laser eye surgery right for you?	Video of surgeons - interview

Emic and etic perspectives in the experiential marketing mix

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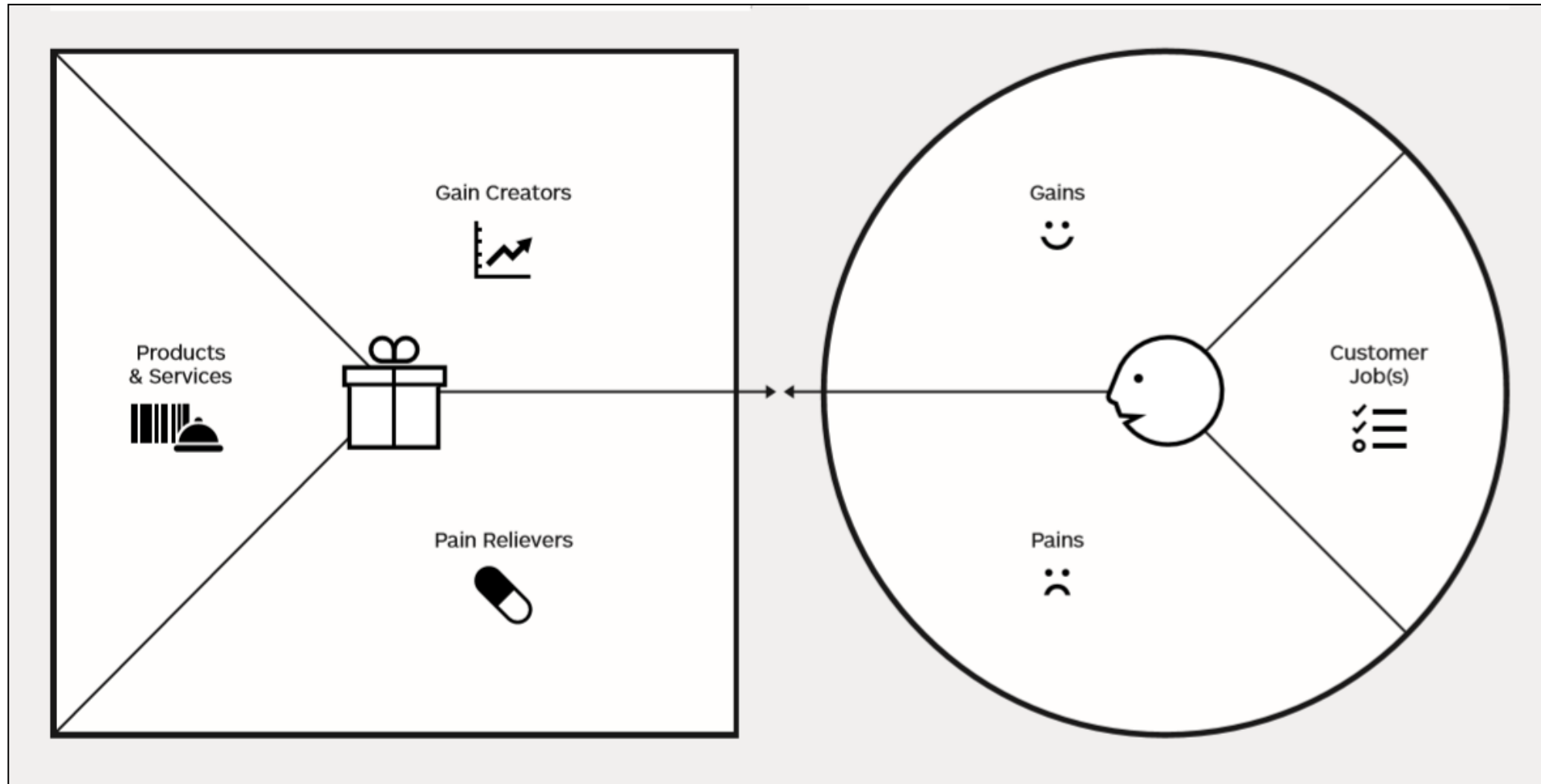
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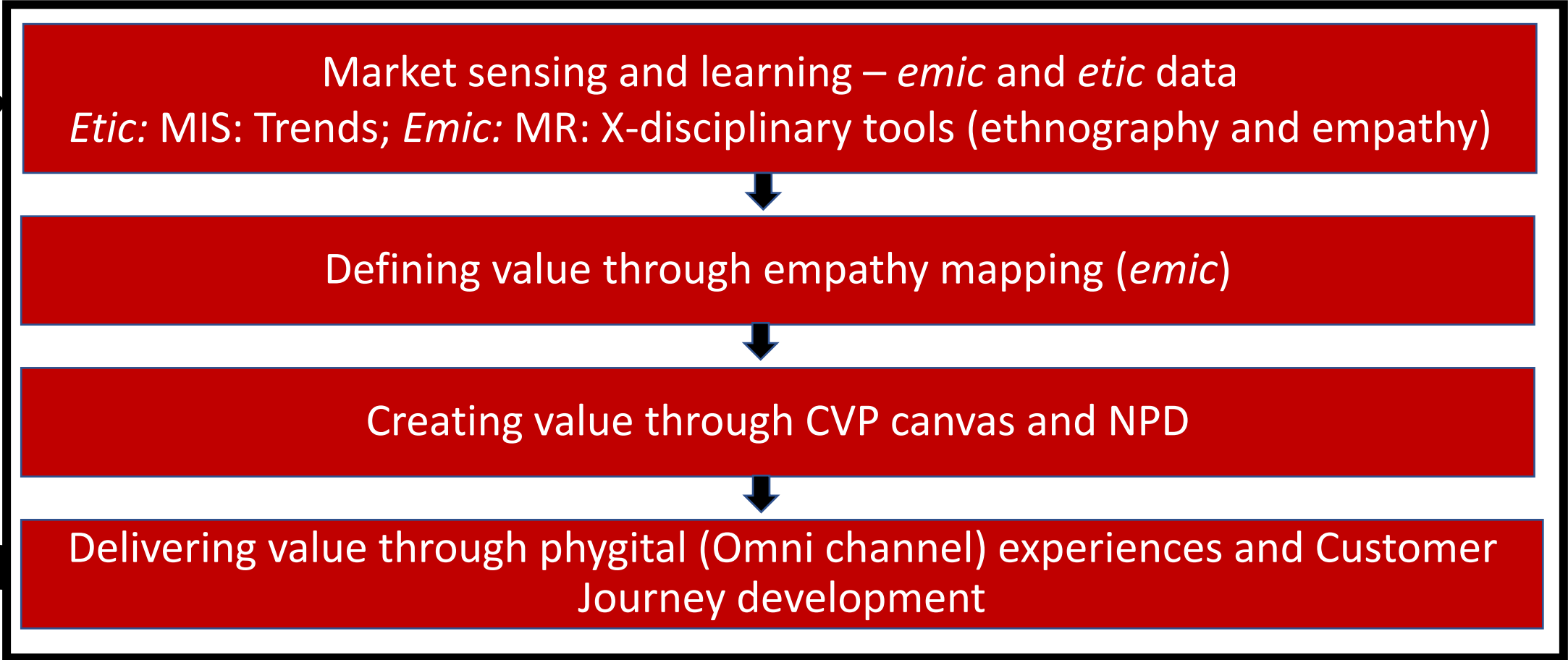
4. Processes that create value: The customer value proposition canvas – etic (Batat, 2019)



4. The customer value proposition canvas

CVP - Tesla example

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Empathy, EMIC/ETIC, Phygital (omnichannel) also research techniques

- Customer experience
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AN INTEGRATED CUSTOMER EXPERIENCE MEANS:

THE RIGHT MESSAGE



✓ Added value for client

✓ Not just selling

TO THE RIGHT PERSON



✓ Personalization

✓ Segmentation

AT THE RIGHT TIME



✓ Observing behaviour
and life-cycle

✓ Calibrating message
frequency

THROUGH THE RIGHT CHANNEL



✓ Respecting user
preferences and
habits

✓ Creating a fluid
omnichannel
experience

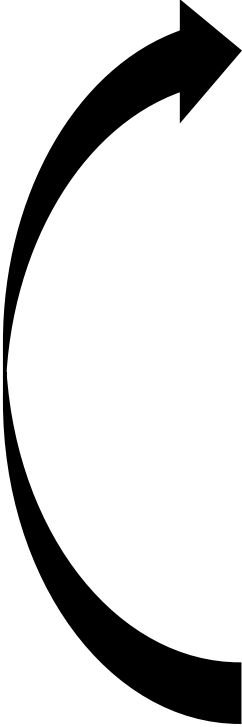
Key take-away points

1. The foundation for all that follows are the simple questions – **what do you know**; how does that knowledge give you an **edge or advantage** over the rest; how **can you stay ahead** in understanding this market opportunity better than anyone else. After that, the rest is just technology – a means to an end.
2. Unconvincing answers to these questions are worrying – is all that follows just a weak, “me-too” strategy that makes you the same as the competitors. If all you know is the same as the rest – then you will probably act like the rest. Effective competition is increasingly about learning better and faster than the competition and retaining that advantage in market sensing and knowledge.
3. Unpredictable events with huge impact are “black swans”. Are we prepared to cope with the impact of not just what we don’t know, but what we don’t know that we don’t know?
4. Big data (massive databases) reveal what has happened in great detail, but small data provide the clues as to why these things have happened, to create insight and new strategies. Big data and small data should work in partnership.
5. Market research is about tools and techniques of data collection, many of which are crude and of limited validity, while market sensing is about understanding and insight. They are not the same thing.

Key take-away points

6. The search for better insight and understanding to create innovation and competitive edge is leading to new tools from ethnography and anthropology, neuromarketing, internet sources, and futurology.
7. Marketing intelligence is about “soft” data of all kinds that indicate trends, clues, and changes in the marketplace.
8. Managing customer knowledge has become a priority with the creation of new organizational roles and processes.
9. Interpretation is also a process – it is the one that links market sensing to management understanding and needs to be managed.
10. Experiences across diverse sectors show how new learning processes are providing companies with competitive advantage thus prioritizing the enhancement and improvement of market-sensing processes and learning in organizations.

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