

INSIGHTS VS FINDINGS

LESSONS LEARNED FROM THE TRENCHES

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INTRODUCTION

In reviewing the Consumer Insights 2007 Call for Papers, and specifically the description of the Demystifying Insights area, I was reminded of a conversation I once had with one of my Nickelodeon colleagues, an Advertising Sales Account Executive. We were in Omaha, Nebraska several years ago to meet with a Fortune 500 sales client, and I was to give a presentation sharing insights into decision-making and the changing family dynamics in U.S. households. The evening before the presentation, my colleague and I were having a drink when she asked me, "What's the most interesting thing you've learned from your research this year?" With very little hesitation, I recalled a series of findings from our 2005 U.S. Multicultural Kids Study: that kids who attend church, temple or some other kind of religious service at least once a week were significantly more positive about their lives than kids who attend religious services less frequently or not at all. They were significantly more likely than their peers to believe they were smart, popular, good at sports, hard-working, rich, good-looking; and significantly more likely to say they live in a nice home, get good grades, and make their parents happy. These findings had stayed with me since I'd discovered them earlier in the year, and I was more than happy to share them with my sales colleague.

"How do we monetize that?" she asked, with as little hesitation as I had responded to her original question. I was at first speechless, and then highly agitated. Must every research finding be something we can monetize? Aren't we researchers allowed to uncover findings that are purely interesting? Findings that make us feel good about mankind even though we can't *monetize* them?

As a senior executive with a major media corporation, partnering with internal clients to translate consumer intelligence into business strategy is a key responsibility of my team, so clients' business needs and objectives are of great importance. However, as Viacom is a for-profit, publicly-traded company, all business needs and objectives do eventually rest on the bottom line: revenue, and making as much money as is feasible. Shall we conclude, then, as my Ad Sales colleague's remarks suggest, that for research in the private sector, the principle difference between findings and insights is one's ability to translate the learning into revenue?

FINDINGS VS INSIGHTS

So how does one differentiate between findings and insights? As I contemplated this question, I thought about how my internal client groups might make the distinction. Clearly, from the perspective of an Ad Sales executive at a media company, the shortest distance between research findings and revenue is the Holy Grail, and in this respect, the moniker ("findings" or "insights") doesn't matter at all. Similarly, I suspect that my colleagues in Corporate Communications would agree that the label itself is irrelevant, as long as the information can generate press. These client groups aside, when it comes to conducting and disseminating research that facilitates business strategy in the private sector, I believe that herein lies the difference between findings and insights: While findings are free to be trivial and merely interesting (or not), insights bear a much greater responsibility. Insights must be informative *and* actionable, and straightforward enough that our non-research peers can easily digest them. I believe that true insights are findings that clients, upon hearing

them, can rather quickly understand:

1. the context surrounding the findings – i.e., why the information makes sense,
2. the behavioral implications of the findings – i.e., how to use the information to predict or to explain in which direction a trend or a consumer group might be headed, and
3. how to apply the information towards business goals and objectives.

The context surrounding the findings

Research insights that don't readily make sense to clients are essentially findings that get filed away with presentation decks. This is not to say that the best findings are those which affirm what we already believe to be true; rather, it is the researcher's responsibility to present findings – be they intuitive or counter-intuitive – within the context of consumers' lives (or within the context of broader social movements), so that the clients understand them. Per Duboff and Spaeth (2000), "it's a matter of looking at a rich diet of information and making connections" (p. 32), connections back to pre-existing information in order to provide meaningful context.

The behavioral implications of the findings

Research insights that provide an explanation for past trends or present consumer behaviors can be interesting and affirming. However, insights which allow executives to make informed predictions about future trends are *strategic* insights that better enable businesses to adapt to, as well as compete in, an ever-changing environment.

How to apply the information towards business goals and objectives

As Clare Bruce, CEO of Nunwood, stated in a recent *Research World* article, "clients don't just want answers to the questions ... they actually want us to tell them how to use it" (2006). More and more research vendors are assuming consultancy roles beyond the completion of the projects themselves for this very reason. In addition, research findings which are presented in such a way that next steps and potential opportunities are clearly

transparent are, in fact, insights which deliver a positive ROI.

Findings are often *nice to know*; insights should be considered *need to know*. All insights are findings, but not all findings are insights. The case studies reviewed below are being shared to demonstrate these distinctions in real business contexts.

CASE STUDY 1: SPONGEBOB SQUAREPANTS LICENSING STRATEGY

SpongeBob SquarePants (SBSP) is an animated television series which premiered on Nickelodeon U.S. in the summer of 1997, and soon after became a blockbuster hit on Nickelodeon channels around the world. The stellar performance of *SpongeBob SquarePants* on-air paved the way to a hugely successful licensing program off-air, bringing in nearly \$1.5 billion at retail in 2003 alone! Naturally, kids were the key drivers of the property's major success on and off-air, as Nickelodeon is a brand that has put kids first for 28 years. However, anecdotal evidence began to emerge that suggested that college students and adults were counting themselves among the *SpongeBob SquarePants* fans as well. Since maintaining the revenue stream from the SBSP franchise was a priority for Nickelodeon's licensing group, the research team was tasked with determining whether adult interest in the property was purely anecdotal, or whether there was sufficient affinity for the brand among this older demographic group to warrant a separate, adult-targeted licensing strategy to complement the kids' business.

Naturally, our first step was an analysis of the television viewing audience to understand more about the adults who watched the program – how many there were, what percentage of the overall audience they comprised, etc. Adult viewership of *SpongeBob SquarePants* was notable, but were the ratings strong enough to translate into a successful licensing program? Primary research was necessary to answer this question.

The decision to conduct a custom re-contact telephone survey using Simmons Market Research Bureau's

PART 1 / DEMYSTIFYING INSIGHTS

National Consumer Survey (NCS) was deliberately made to maximize our ability to deliver insights, not just findings, to our in-house licensing colleagues.

1. In a telephone survey of a nationally representative sample of 3,300 18-54 year-olds from the NCS respondent panel, we assessed awareness, viewership, and appeal of *SpongeBob SquarePants*, along with personal ownership of SBSP products, and interest in purchasing additional SBSP products.

2. We established the criteria by which respondents could be identified as “SBSP Adult Alphas” (e.g., watch the television show at least three times a month; rate the series an 8, 9, or 10 on a 10-point appeal scale; personally own SBSP licensed products, etc.); then analyzed the re-contact survey data accordingly.

3. Responses from these SBSP Adult Alphas were then linked back to their original responses to the in-depth National Consumer Survey, yielding an incredibly rich profile of the adult *SpongeBob SquarePants* enthusiasts.

Based on this methodology, we were able to size the market, provide detailed descriptions of this consumer group, and compare them to the adult population at large across a wide set of dimensions. For example, we were able to report that:

- 6.6% of 18-54 year-olds in the United States, or 10 million adults, were SBSP enthusiasts. Nearly two-thirds of the Alphas are women, three-quarters of them are parents, and African Americans are over-represented in this consumer group.
- Relative to the general adult population, SBSP Adult Alphas over-index significantly when it comes to playing and watching sports (particularly basketball), playing video games, and eating at fast food restaurants.
- They place a great deal of importance on stores offering value, and are most likely to shop in mass and mid-tier retailers.

Why the information makes sense

That SBSP Adult Alphas are more likely to be parents and to be women tends to make sense for a couple

of reasons:

- Adults with school-age kids are more likely to be introduced to the TV program via their children.
- Moms are more likely than dads to oversee the daily care and leisure activities of their kids.

The behavioral implications

There are two informed hypotheses one can make regarding the SBSP Adult Alphas, based on these insights:

- The size and composition of the SBSP adult enthusiast segment would likely be sustained over several years (assuming parents continue to discover the program through their kids, and assuming moms continue to be primarily responsible for the daily care and activities of their children).
- Parents’ affinity for *SpongeBob SquarePants* was correlated with that of their kids, so that as long as the series remained top-rated (and therefore top of mind), Nickelodeon could count on there being SBSP Adult Alphas.

How to apply the information towards business goals and objectives

Because we were able to provide an in-depth consumer profile of the SBSP Adult Alphas, including psychographic and behavioral insights, our clients could easily develop an adult-targeted licensing strategy for *SpongeBob SquarePants*. For example, Simmons NCS data identified the specific magazine publications, and well as television programs, for which the SBSP Adult Alphas over-indexed relative to the general adult population. This enabled Paramount Home Entertainment to make targeted media buys for ads promoting SBSP DVDs, and facilitated Paramount Pictures’ marketing for the *SpongeBob SquarePants* feature film, which was released nine months following the completion of the research.

CASE STUDY 2: THE RAISING KIDS RESEARCH PROJECT

The research project *Raising Kids: Baby Boomers, Generation Xers, and Implications For Marketers* was born out of a recognition that Nickelodeon’s success as

a kids' entertainment brand was built upon a great deal of research and understanding about kids who were being raised by Baby Boomers, the cohort group born between 1945 and 1959. At the turn of the century, data from the U.S. Census clearly indicated that significant numbers of kids in Nickelodeon's core demographic of 2-11 years were being raised by the next cohort group, known as Generation X (those born between 1960 and 1976), and clearly, this was soon to be the case for the entire 2-11 year-old demo. Were there differences between these parent cohorts that would have significant implications for the Nickelodeon brand and businesses? We conducted in-depth primary research to address this issue.

The methodology was both qualitative (traditional focus groups with parents, and in-home ethnographies with families) and quantitative (telephone survey with nationally representative sample of Baby Boomer parents and Gen X parents). Not surprisingly, the research yielded a great deal of both findings and insights! However, for the sake of ESOMAR's Consumer Insights conference, I will focus on but one aspect of the results.

The research team held numerous work sessions to analyze and synthesize the plethora of data we had generated, and ultimately, we felt it was important to craft language to articulate parents' priorities – not necessarily the conscious dreams and ideals for which they believed they were living their lives, but the more subconscious and immediate priorities on which they rely to resolve conflicts and made decisions in their day-to-day lives, particularly as it relates to raising their kids. Specifically, we reported the following four priorities:

- Make my life easier.
- Make my kids happy.
- Raise my kids to be “good” people.
- Live within my budget.

These priorities function as filter questions, often subconsciously. They are not numbered in importance, because we learned that in any given situation, one can take precedence over the others.

It has been five years since we completed the initial research yielding these insights, and each major lifestyle study that we have conducted since then has reaffirmed these priorities. Why? My ego would love to believe it's because we were right! However, I believe the real reason is that we took the time to translate findings we had repeatedly observed qualitatively, and only hinted at quantitatively, into insights.

Why the information makes sense

In the original presentation of the *Raising Kids* research findings, we painted a picture which provided a great deal of context for understanding the lives of parents raising kids aged 2-14 years. For example, with the increasing numbers of moms working for pay outside of the home, parents in the U.S. are overscheduled. Having enough time and money for the things they want and need top the list of challenges they report. In addition, parents (and Gen X parents, in particular) expressed a desire for closer relationships with their children than they feel they had with their own parents when they were growing up. All of these things provided the context for understanding why they want their lives to be easier, why they are taking responsibility for their kids' happiness, and so on. Further, the examples we offered helped to demonstrate how these priorities act as filter questions for parents in a time of conflict – e.g.:

- What's going to make my life easier?
- What's going to make my kids happy?
- Will ____ help me to raise my kids to be “good” people?
- Can I afford it?

The behavioral implications

Because the priorities made sense to our client groups, it was relatively simple to draw from them to explain other consumer trends we had already begun to see with respect to families with school-age kids, and to imagine which direction these trends would go. For example:

- Kids' influence on parents' spending: “*We allow them to get one toy every time we go shopping, and we go shopping every two weeks.*”

- Growth of licensed personal care products and other fast-moving consumer goods targeting kids: *"I'll spend an extra 30 cents on something if I know she's going to use it."*
- Growing numbers of overweight and obese kids: *"If they're going to eat it versus NOT eating the peanut butter and jelly, then I'd buy it."*

How to apply the information towards business goals and objectives

The Raising Kids research insights in general, and the parents' priorities that we identified more specifically, had immediate impact on our internal clients, and the presentation itself was shared widely with many of our external Ad Sales clients and marketing partners because of its implications. A few examples are highlighted below.

- A shift from mom-targeted to kid-targeted marketing and advertising campaigns for products the research indicated were largely being chosen by children (e.g., breakfast foods, apparel);
- Dual-messaging strategies for products and services for which parents and kids were negotiating together, rather than parents making the decisions by themselves (e.g., family vacations, consumer electronics, automobiles);
- Marketing strategies tapping into parents' often subconscious desire to simplify their lives and to please their kids.

CONCLUSIONS

As market researchers, we have a responsibility not only to keep our clients abreast of consumer behavior and attitudes, but to provide insights in a clear, contextualized, and actionable way so that strategic thinking and planning can move forward. While research absolutely should play a critical role in business, research insights (as opposed to findings) help to lessen the burden of researchers taking on the role of strategists as well. This is especially important for researchers on the vendor side, whose collaboration with the client typically ceases

after the final report is delivered. Too often, research *findings* get filed away with the reports themselves, rather than staying top-of-mind with the client groups. However, when the findings are integrated into existing consumer intelligence and presented with ways that are clearly actionable, there is a much greater likelihood that such *insights* will live long after the research presentation is concluded. And yes, the ability to monetize research, however frustrating the notion may be to us personally, is a key component which differentiates findings from insights.

References

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