

Playing to Win with Data-Driven Strategic Marketing

Using Primary Market Research for Competitive Edge

Introduction

Intense competition is a fact of life for even the most successful technology and medical companies. Yet developers and marketers still get caught up with the enthusiasm of developing new products and believe putting a great product on the market guarantees success. This isn't necessary the case; nearly half of all new product introductions fail in the marketplace.

Winners use a data-driven strategic marketing approach to:

- **Locate the highest potential segments**
- **Prioritize product features and functionality to meet customer needs**
- **Identify drivers and barriers to adoption**
- **Position new products to communicate competitive differentiation**

Primary market research is a crucial building block for strategic marketing. It provides unbiased, systematic data for crucial strategic marketing decisions. Done carefully, research delivers actionable insights on pain points, unmet needs, competition, product positioning, and pricing—all of which are key to technology and medical product marketing success.

This paper offers an approach for rapidly and cost effectively using market research to obtain both qualitative insights and hard data for product management and marketing decisions.

Limitations of Primary Market Research

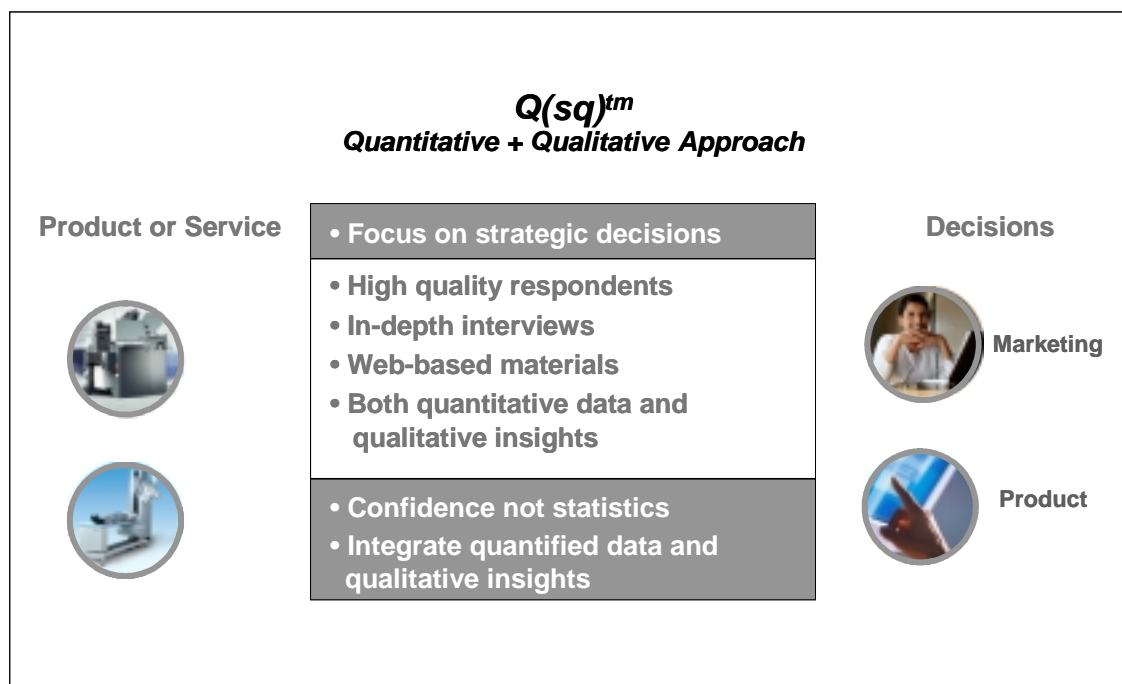
Not all market research is the same. Five common problems compromise many primary market research studies.

- **Not oriented to decision making**
Rather than being designed to gather specific insights for strategic marketing decisions, studies often just collect data.

- **One size fits all**
Focused product insights are needed to meet customer needs and for competitive differentiation. Many approaches only provide general information.
- **Poor recruitment**
Confidence in a study's findings depends on the quality of respondents. High-potential candidates are found through rigorous screening based on in-depth industry understanding.
- **Inflexibility**
Compromises are often made between understanding market complexities or yielding quantifiable market data. Effective decision making requires both.
- **Lack of rigorous analysis**
Data is not collected and analyzed rigorously, resulting in subjective conclusions from individual "impressions"

A Quantitative and Qualitative Approach to Effective Research

Q(sq)tm is a unique primary market research methodology that incorporates quantitative and qualitative research in a highly structured design and rigorous results analysis. This methodology provides insights into customer dynamics and directional trend data for strategic marketing decisions.



The Q(sq)tm approach differs from conventional research in several important ways:

- **Focus on strategic marketing decisions**
All aspects of research, from questionnaire design to recruitment and analysis, are clearly focused on customer insights and data for decision making.
- **Target high-quality respondents**
Data collected in any research is only as good as its source. Respondents are tightly targeted and carefully screened to ensure confidence in the findings.
- **Conduct in-depth interviews**
Market research often makes tradeoffs between interview depth and number of interviews. In-depth interviews are effective in gaining insights on poorly understood or complex product or market issues. For strategic marketing decisions, it is often more effective to probe a small number of high-quality respondents in depth vs. a broader number in less depth.
- **Use highly structured, web-based materials**
Respondents are exposed to consistent web-based visual materials, tightly integrated with a structured interview guide. This ensures that the study will gather consistent, unbiased data across diverse groups.
- **Gather quantitative data and qualitative customer insights**
Interviews are structured to include both open- and closed-ended questions. Each has value in addressing specific marketing questions. For example, closed-ended questions work well in prioritizing a product feature set; open-ended questions provide insights into drivers and barriers for product adoption.
- **Build confidence, not statistics**
Obtaining statistically significant data is often impractical, requiring large sample sizes, random sampling, and rigid questionnaires, all of which add time and cost. The Q(sq)tm approach builds confidence through excellent recruitment and structured research to yield valuable insights and actionable data in less time, and at a lower cost than conventional approaches. Confidence in a study's findings is enhanced by monitoring results to see if major insights are supported by findings from respondent groups.
- **Integrate analysis of quantified data with qualitative insights**
Most strategic marketing decisions need to understand hard data (such as product fit rankings) and situational insights that explain dynamics behind the data. Rigorous analysis combining both delivers maximum value for decision making.

Summary

The Q(sq)tm approach integrates qualitative and quantitative methodology to obtain focused information for data driven product and marketing decisions. It often produces results that are unanticipated and could not have been designed into purely quantitative or focus group studies. Q(sq)tm advantages are:

- **Relevant data and specific insights**
All project elements are focused on developing information and understanding for strategic marketing decisions
- **Highly structured project design**
A structured approach integrated with targeted recruiting and carefully designed web-based materials produces unbiased market insights
- **Rigorous and analytical**
Integration of qualitative responses and quantitative data is a rigorous, systematic way to conduct analysis. Sample sizes are large enough to provide directional quantitative data in charts and graphs managers are used to. Rich, in-depth contextual information gives additional meaning to the quantitative picture.
- **Worldwide scope; high quality, cost-effective results**
High quality is achieved through focus on decisions, systematic, structured research, and rigorous analysis; cost-effectiveness is achieved through appropriately sized samples. Q(sq)tm can be deployed worldwide.

Implementing the Q(sq)tm Approach

Successful implementation of Q(sq)tm requires understanding the product and marketing decisions impacted. Look for highly skilled, experienced professionals with expertise in strategy and market research, combined with an understanding of technology-based industries.

About Customer Insights

Customer Insights LLC is a market segmentation, product positioning and research firm focused on the technology and medical markets. Customer Insights senior professionals have an average of 20+ years experience in market strategy, product management and market research and extensive domain expertise in the Medical, Enterprise Software and Networking markets. Customer Insights is headquartered in Mountain View, California. For more information visit www.customerinsights.net