



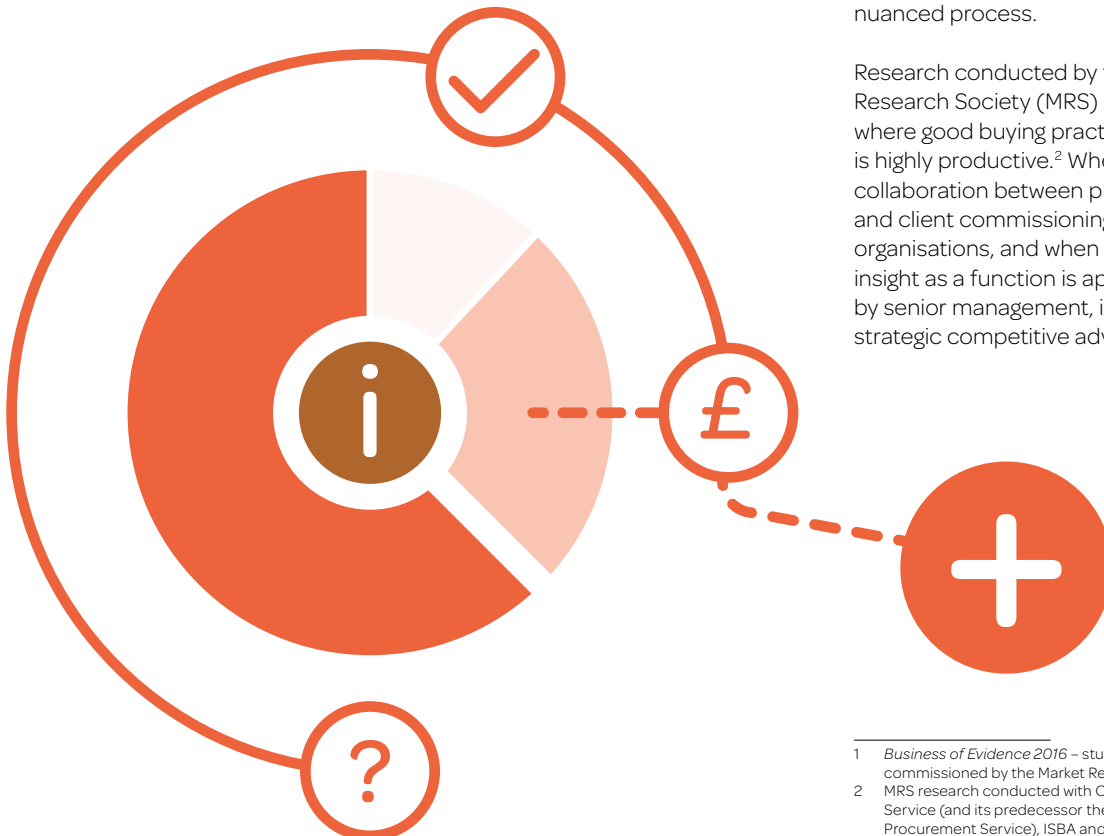
# BEST PRACTICE GUIDE TO BUYING RESEARCH AND INSIGHT

1	ABOUT THE GUIDE	1
2	WHAT DOES GOOD PROCUREMENT LOOK LIKE?	3
3	RESEARCH AND INSIGHT AS A DISTINCT BUYING CATEGORY	6
4	THE MARKET RESEARCH CATEGORY	12

# 1

# ABOUT THE GUIDE

The **Best Practice Guide to Buying Research and Insight** is designed for procurement and client side marketing professionals responsible for buying market research and insight. It is also a useful guide for market research and insight professionals on the other side of the procurement process. This guide outlines the research sector landscape as well as the best-practice process for procuring high-quality research and insight.



## 1.1 BACKGROUND TO THE RESEARCH AND INSIGHT MARKET

The business of research and evidence is growing rapidly in the UK. Its value has increased by nearly £2bn – over 60% – since 2012 and, as a sector, research now contributes £4.6bn to the UK economy and employs some 73,000 people.<sup>1</sup>

Market and social research is a fast-moving area with new trends emerging all the time – data analytics, for example, has grown by 350% in the past four years, reflecting the rise of big data. Other complex areas like behavioural economics, predictive analytics and social media analysis are growing rapidly too.

The importance of good research and insight to organisations is huge. Business leaders cite more confident decision-making, reduced risks, better planning, increased efficiency and long-term cost savings as the top benefits that quality research brings. Key to this is understanding how to commission good research, but it is a complex and nuanced process.

Research conducted by the Market Research Society (MRS) shows that, where good buying practice exists, it is highly productive.<sup>2</sup> When there is collaboration between procurement and client commissioning teams within organisations, and when research and insight as a function is appreciated by senior management, it provides a strategic competitive advantage.

<sup>1</sup> *Business of Evidence 2016* – study by PwC, commissioned by the Market Research Society (MRS)  
<sup>2</sup> MRS research conducted with Crown Commercial Service (and its predecessor the Government Procurement Service), ISBA and its Procurement Group, and professionals in procurement, client-side commissioning and supplier agencies.

---

Research by the Association of National Advertisers in the US shows that the three core stakeholders in the process – procurement teams, client-side commissioners and supplier market research agencies – have very different perceptions of how well the same purchasing process has gone.<sup>3</sup> It might be expected that procurement teams and suppliers have differing views, but sometimes those on the client commissioning teams are dissatisfied with the buying process too.

Research and insight is not only a highly complex service to buy in – there is marketing services and advertising procurement – and like other creative services market research can be regarded by some organisations as a discretionary rather than business critical spend. These factors combined make the standard procurement process unsuitable.

From a cost-minimising perspective, it would be easy to reduce spend on research dramatically but progressive organisations spend a £1 on research because they expect to get more than £1 back. In other words, research is an investment, not a cost. The procurement approach for market research and insight services must be made from a value-maximising outlook rather than a cost-minimising one for it to work effectively even if budgets reduce. In challenging business environments, this is not always easy.

This Guide provides insight into the complex and fast-moving market research and insight sector to help inform buyers in this category, and sets out what best practice in purchasing research looks like. It is as much philosophical as practical, as the right practical tools and metrics depend on the right outlook and approach.

#### Further reading

Buying research is similar in many ways to procuring marketing and communication services more broadly, on which there are resources offering more theory and advice.

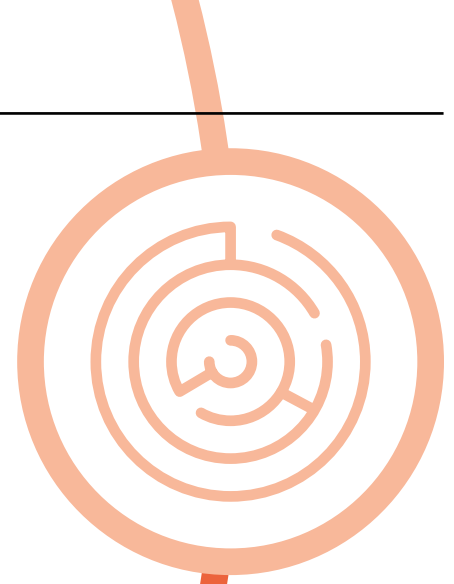
An excellent and comprehensive guide to buying marketing services is: *“Buying Less for Less”* by Gerry Preece and Russel Wohlwerth,<sup>4</sup> much of which is applicable to the research category.

Another useful resource is ISBA’s video of Gerry Preece’s presentation: <http://vimeo.com/78663561>

*How to Buy a Gorilla* by David Meikle provides a useful guide for getting best value out of the procurement process for the advertising sector. Most of the key sections are equally applicable to the research sector.

<sup>4</sup> *Buying Less for Less*, by Gerry Preece and Russel Wohlwerth, Oystercatchers ISBN 978-0-98-54427-6-7

<sup>3</sup> *The 2010 ANA Research Survey Report: Procurement – the Good the Bad and the Ugly*



£

£

£

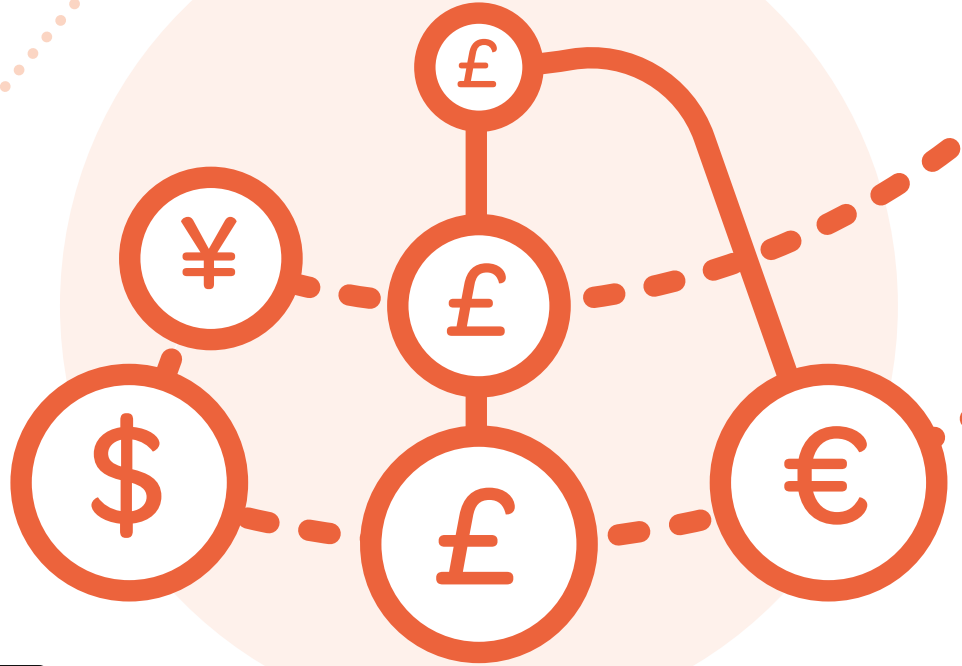
In common with other marketing services categories, research and insight has characteristics different from direct categories with best practice buying requiring a distinct approach and toolset.

### 2.1 MARKET RESEARCH AND INSIGHT AS AN INVESTMENT

Optimising spend in the research category requires a fundamentally different approach to direct materials categories. The process requires an investment mindset – a ROAR (return on analysis and research) outlook – accompanied by an awareness of appropriate buying tools and skills.

Spend on research is entirely discretionary, so if the category is approached with a cost reduction strategy alone, the ultimate cost reduction is to simply cease all spend and abandon the category. Key here is to uncover the key differences between research spend and direct spend.

2



# WHAT DOES GOOD PROCUREMENT LOOK LIKE?

## 2.2 THE KEY DIFFERENCES BETWEEN RESEARCH VS DIRECT SPEND CATEGORIES

- Specifications are often challenging to write and quality difficult to define.
- Buyers can make sourcing decisions that have an impact – good or bad – potentially far greater than the cost of the purchase.
- There is no systematic way to ‘qualify’ supplier suppliers – at best you can assess accreditations for industry (MRS) ethical compliance, information security and research process quality, but not creative research design.
- People really are the key assets (not technology, process or factories), so differentiating between suppliers can be a subtle process.
- Commissioning research in one area of an organisation is often linked to other areas of the business. It can be a highly fluid process.
- Measuring Procurement performance in buying the category is more complex than just evaluating hard savings if it is to reflect true value added

These distinctive characteristics don't change, they are fundamental to effective research. But suitable buying practices can be developed to ensure these are captured in the buying process. If buying is not adapted to the category, then spending less via traditional buying techniques will just lead to getting less (insight, quality, reliability, responsiveness) in return.



## 2.3 TAKE A SPECIALIST PROCUREMENT APPROACH TO RESEARCH AND INSIGHT

The investment approach to this category with distinct characteristics mean generalist procurement approaches can lead to poor outcomes. Best practice buying in this area requires a specialist approach in four key areas:



### Mindset

It is clear that in this discretionary spend category, a traditional “strategic sourcing” approach is focused on cost savings and potentially blind to wider organisational returns for a given level of spend. A focus on wider organisational returns means moving from a more traditional procurement ‘comfort zone’ or more traditional procurement skill sets. This mindset change has been called for outside the research sector as general requirement for strategic procurement to stay relevant in an environment where soft savings from meeting wider organisational and stakeholder goals will outweigh “hard” savings from an already low margin supply chain.<sup>5</sup>

### Skills

The procurement team responsible for procuring research and insight require experience and a set of strategic sourcing skills. They will be tested in this category, which is complex, fast-moving and with direct bottom-line consequences if badly sourced. Procurement teams will need to be comfortable with some uncertainty and avoid trying to impose clear boundaries – they are not the reality in research. For the purposes of research and insight procurement teams must understand the organisation's wider strategy and mission.

### Relationships????

Great relationship building and interpersonal skills are essential in research procurement. The right person builds trust with others – internally with colleagues in marketing and research, and externally with suppliers. Relationships and trust takes time, investment and the right mindset. It is key to ensure that teams/individuals working on creative services buying are comfortable with the process of relationship building as well as the processes involved.

### Roles

Procurement do not need to make radical improvements in investing spend on research well unless their role is appropriate. Traditional “strategic sourcing” is a formulaic multistep roster approach that happens on a year on year cycle. This is not the kind of role that will afford a procurement professional any real understanding of their own organisation's research function and potential wider returns for spend invested. A collaborative approach, perhaps co-location research procurement specialists with commissioning stakeholders and involving them in an understanding of day-to-day decision making and demand management may yield higher returns on research spend.

<sup>5</sup> For a full description and article from the Hackett Group see <http://www.mypurchasingcenter.com/purchasing/industry-articles/category-management-beyond-the-strategic-in-strategic-sourcing/>



## 2.4 COMBINE PRACTICAL EXPERTISE WITH RISK AWARENESS

Organisations use a huge range of techniques and approaches for research. Like the business problem it's designed to solve, a research project can vary widely in type, scope, complexity and risk. In order to support business stakeholders well in procuring good returns on research and insight spend, good buyers should understand what is involved in conducting the basics of a research project.

Section 4 of this Guide outlines a typical project roadmap for a mixed method research project. The roadmap shows some common elements every research project will have that buyers need to consider:

- **Ethics** eg MRS Code of conduct: does your supplier have safeguards in place to ensure ethical, best practice research?
- **Service quality**: does your supplier follow industry ISO's for quality?
- **Information Security**: will your supplier protect your confidential data?
- **Data Privacy**: does your supplier have process to protect your customers' privacy if they are being identified during research?
- **Impact**: what in the buyer's organisation will change as a result of the research conducted?

## 2.5 ALIGN PROCUREMENT, CLIENT COMMISSIONER AND RESEARCH SUPPLIER STRATEGIES

It is striking just how many stakeholders are involved a typical research project and how many influence an external supplier. While this guide focuses on providing an insight into the research category for non-specialist procurement teams, there are potentially a whole range of stakeholders behind any project:

### Client Organisation:

- Procurement team
- Commissioner (research, marketing, senior executive)
- Sponsoring project budget holder (could be separate from the commissioner)
- Information Security Department

### Supplier Organisation:

- Research practitioner
- Business development department
- Finance director

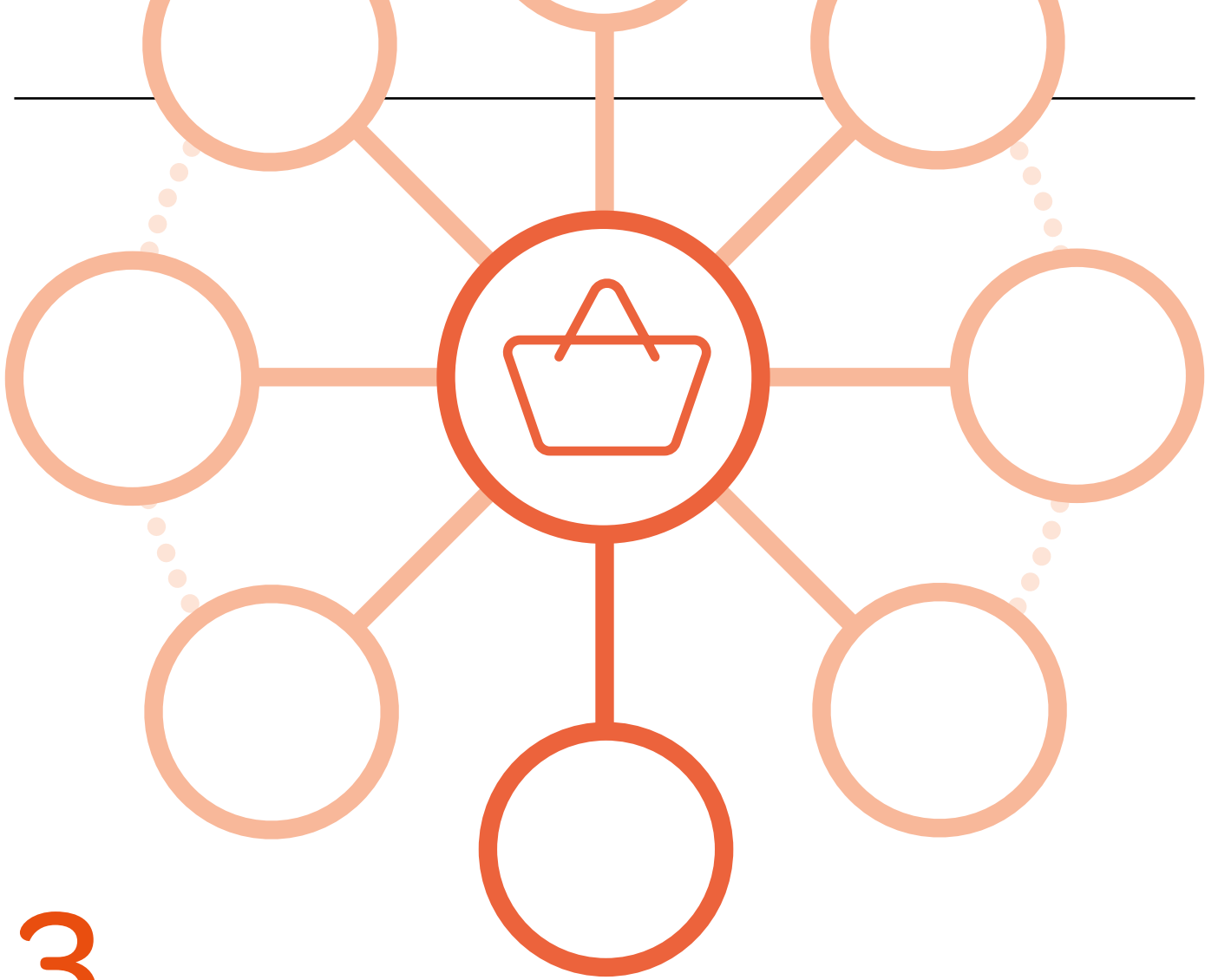
For the outcome of the buying process to be satisfactory, and to give the best chance for business and research objectives to be met, it's important that all stakeholders (particularly the core stakeholders of procurement, commissioner and research practitioner) are aligned. It is very easy to talk about supplier partnership, quality and added value, but if the reality is harsh contract terms or unachievable objectives, then any sense of partnership quickly disappears.

## 2.6 MEASURE SUCCESS IN THE LONG-TERM

Evaluating success when procuring research must look at both the buying process and the long-term benefits the research brings to the business.

In terms of the buying process, success can be measured according to cost savings combined with softer skills: collaboration, relationship building (both with supplier and in-house teams) and approaching the process with an investment mindset.

Longer-term, the procurement team should be evaluated on the same terms as the commissioning team (assuming their objectives are aligned). The investment made in research and insight will have its own success criteria – use these to assess the contribution the procurement team has made to the wider business environment as a whole.



3

---

# RESEARCH AND INSIGHT AS A DISTINCT BUYING CATEGORY

---

### 3.1 RESEARCH AND INSIGHT IS AN INVESTMENT NOT AN EXPENSE

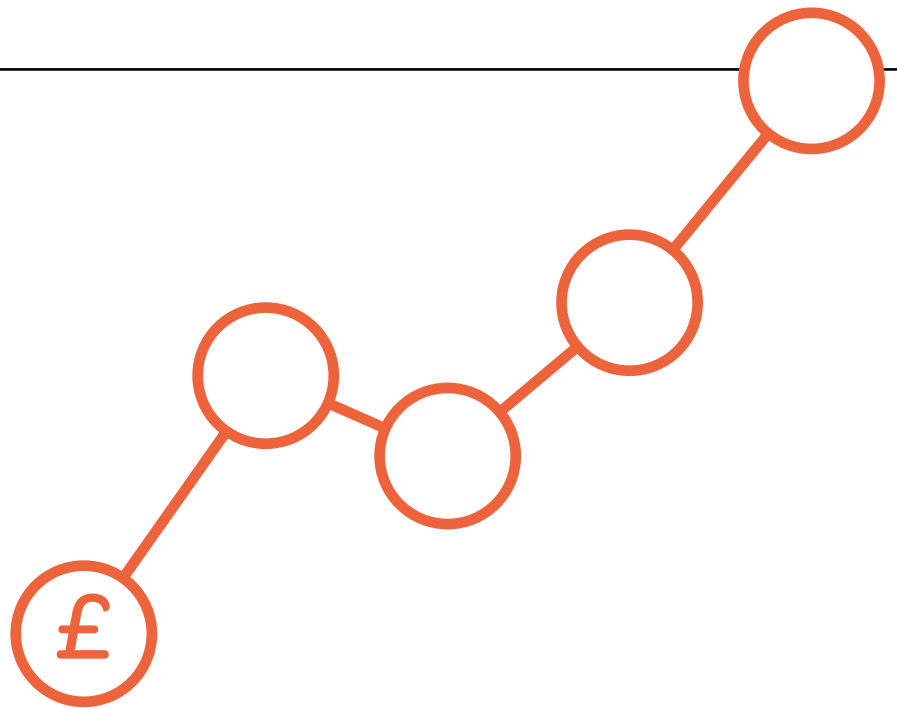
The core characteristic of this discretionary spend category is that research and insight must be understood as an investment made by the commissioning organisation. As with any investment, the focus should be on how to maximise its return for any given budget, not the minimisation of cost in isolation.

Clearly, any responsible business and its procurement team will look for ways to reduce costs – particularly around items considered to be discretionary spend. When buying research and insight cost still matters – but only in relation to the value it will create.

It will always be possible to find ways to reduce spend because suppliers will always find ways to cut prices. The problem is that this will usually reduce quality, which will likely result in less satisfactory returns. Compromises to quality can occur anywhere from the process of collecting evidence through to analysis and insight, which is, ultimately, what resolves a client's problem. The end result of least cost focus will be familiar to those who have experienced poor research procurement: money is spent which results in little business impact or return.

Cost needs to be weighed up alongside quality, impact, long-term value and risk. Just as you could save £1m on an advertising campaign and miss out on a £10m uplift in sales, by using the wrong research supplier you could miss out on advice and insight that could translate to a competitive advantage. Often cost savings pale into insignificance when compared to the returns: in increased sales, reduced risk in a product launch, better targeted marketing communications spend, and so on.

Businesses which see the most success from research and insight are focused, from the outset on maximising returns on research spend to meet core stakeholder and organisational goals rather than solely minimising cost.



---

### 3.2 SPECIFICATIONS ARE DIFFICULT TO SET

For procurement teams to successfully support a business in buying research which delivers effective insight, a strong relationship and understanding needs to exist between the procurement team, client commissioner and the research agency/supplier.

Unlike many other things procurement teams buy, it is difficult to write a strong specification for good research. Even on routine research purchases, quality cannot be fixed in the way that it can for direct materials. For the latter, procurement professionals can set an agreed chemical or engineering specification and then accept best bids within that specification. It's straightforward and works well.

Buying research is more complex. Roster tenders can assess suppliers' basic research capabilities, experience and reputation. But a typical research specification often only goes as far as outlining the business problem and related research objectives. In some cases, the commissioning organisation maybe exploring an entirely new market or product, so have little experience of what the research should look like. Often, client-side commissioners issue briefs or RFPs to a number of research suppliers precisely because they are looking for the best approach to solving a business issue – not because they are seeking the best price among those suppliers. In short, the supply chain writes the specification, and commissioners choose the best balance of research design and cost.

Research suppliers, in turn, invest a lot of time and effort in writing proposals and responding to RFPs, handing over commercially sensitive intellectual property in the process. This quality of thinking, approach and implementation varies enormously in market research and is not something that can be issued as a fixed specification.

Some elements of research involve processes where procurement teams can take a least-cost approach, as long as they can be assured of basic quality thresholds – such as sample size, method of research, agreed definition of the research scope. But the same least-cost focus applied to, say, advisory and analytical research, where the requirement is for the very best thought-leadership to crack a difficult client problem, does not work. The average research project involves elements of both.

Comparing and selecting the best proposal is something that procurement teams and client commissioners need to work closely together on, comparing quality, cost, risks and potential returns. Good buyers know what strategy works for their internal stakeholders, while ensuring they still get value from the relevant elements of the supply chain. They also know that asking a single supplier to be both high-end consultants and least-cost suppliers is not likely to be coherent or deliverable.





### 3.3 EMBED THE RIGHT METHODOLOGY IN THE BUYING PROCESS

The consequences of choosing one research methodology over another can be huge for a business – both in a positive and negative way.

For example, supplier A is selected for research because the specification seems simple: interview 20 GPs to understand how and why they prescribe a certain drug to patients. Researcher A may do a competent job and provides a summary of the GPs' explanations as to why they prescribed the drug.

Research supplier B, however, proposes a different method, applying a behavioural economics approach to the research.<sup>6</sup> They reason that relying on a GP's post hoc explanation of prescribing a drug is not the only indicator – or indeed the most reliable indicator – of how decisions are actually made. Researcher B knows that in an environment where GP's have limited patient and drug information, and only 10 minutes for a patient consultation, there is solid theory and evidence to suggest that decisions are not made on an entirely rational basis.

Research supplier A may price the project at £30,000 and provide some competent outputs, but without the insights to drive any change in process or outcomes. Research supplier B may price the project at £40,000, but provide insights into how decision-making is actually influenced during the GP/patient session. These insights lead to changes that impact the incidence and choice of drug prescriptions, which, scaled over the wider healthcare market, has an impact worth millions of pounds.<sup>7</sup>

There is little merit in buying least-cost interviews if, for example, your supplier cannot validate who you are actually interviewing, nor safeguard the sensitive personal data that results from the interview – organisations risk hefty fines every time they hand a researcher personal data on their customers. Without basic quality assurances, a business could risk its reputation and base commercial decisions on the wrong evidence. It is essential to consider research quality issues as well as contractual deliverables to ensure solid commercial buying factors.

<sup>6</sup> A short introduction to behavioural economics is here: [https://www.youtube.com/watch?v=PvKdEtDcXwg&index=1&list=PLxgZABW7qme\\_UZwnm5081jdPRo5Pk1jAZ](https://www.youtube.com/watch?v=PvKdEtDcXwg&index=1&list=PLxgZABW7qme_UZwnm5081jdPRo5Pk1jAZ)

<sup>7</sup> See Chapter 3 of *The Market Research and Insight Yearbook, Market Research Society 2016*, Kogan Page ISBN 978 7494 7833 9.

### 3.4 CHOOSING THE RIGHT RESEARCH AND INSIGHT SUPPLIER

In the world of direct materials, procurement professionals can identify the pros and cons of one manufacturer over another by comparing tangible factors like technology, equipment, location, freight and labour costs. Heavy emphasis is also placed on rigorous testing and qualifications for products and materials – an objective sign of quality to a buyer.

#### Quality assurance – organisations

For research and insight, it's harder to find direct qualifications that indicate a quality research supplier – but some do exist. For example:

- The MRS Research Buyers Guide – this is the only source of accredited research suppliers in the UK and Ireland
- MRS Company Partner Accreditation – Organisations accredited by MRS must adhere to MRS' ethical Code of Conduct which is the key regulating document within the research sector.

It's important to realise the direct impact on commercial or policy outcomes that supplier membership of a regulatory body (eg MRS in the UK) has. For example, the MRS Code of Conduct prevents a member n poll or a product launch test. Why spend tens or hundreds of thousands of pounds on a research study that could be biased from the outset by adverse stakeholder influence? An MRS supplier can be subject to formal disciplinary action, published publicly, if they conducted a biased survey.

Other quality indicators include accreditation to:

- ISO20252 (for full service agencies)
- ISO26362 (for panel providers)
- ISO27001 – or MRS' Fair Data accreditation – for companies demonstrating high standards in dealing with personal and customer data.

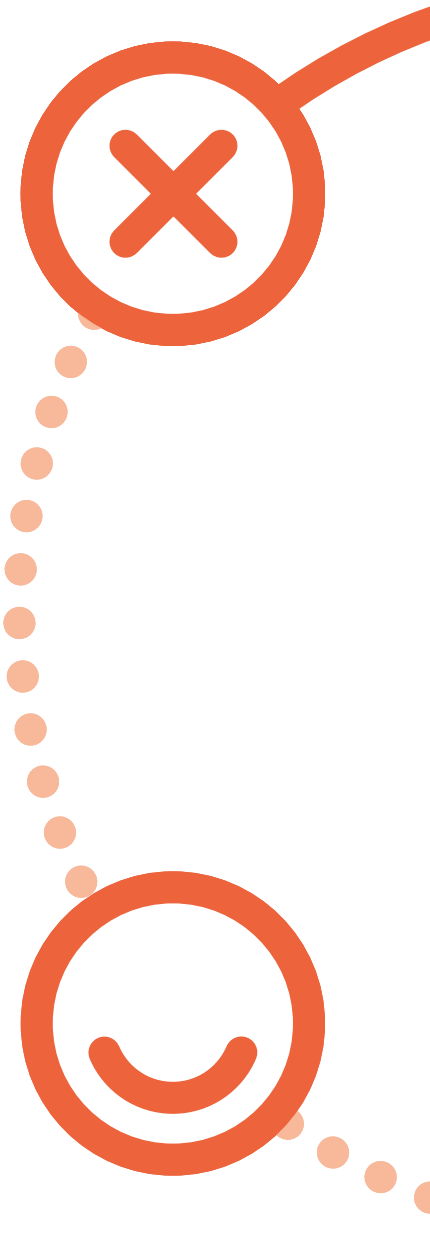
Specialist sector awards – such the MRS Awards, Excellence Awards and Operations Awards – also add an extra stamp of quality and recognition for agencies focused on leading-edge research and insight practice.

#### Quality assurance – Individuals

Individual research practitioners can gain professional qualifications and accreditation (even awards for highest academic achievements in qualifications) through MRS. After becoming accredited, CPD (Continuing Professional Development) requirements ensure that researchers stay up to date with the latest trends in the sector in order to maintain their accreditation as either a Member (MMRS) or Certified Member (CMRS) of the professional body.

A good research supplier is the sum of its formal qualifications and accreditations, and its 'softer' skills and experience. Things like ownership, agency size, culture, ethics, human talent, industry and customer awards – as well as processes for safeguarding quality and personal data – are important criteria that can lead to a very different client experience.

The pool of qualified research suppliers is large (with over 80% of the sector being SMEs). Picking up the 'softer' differences across suppliers takes time and practice – the only real way of experiencing a service is, of course, to use it. As procurement teams don't directly consume the research services within an organisation (that will usually be the internal research or marketing teams), the relationships between procurement and internal stakeholders needs to be strong.



### 3.5 INTERDEPENDENCE OF RESEARCH PURCHASES IS HIGH

The buying process becomes more complicated as sourcing research in one area of a business often impacts sourcing decisions in another area – more so than with direct materials, where suppliers can be categorised more easily by commodity (CD suppliers don't also supply corrugated boxes or shrink-wrap, and they generally don't integrate into distribution).

In market research, where people are the means of production, a supplier can provide multiple services, offering any combination of viewing studios, participant recruitment, qualitative focus groups, quantitative data collection, research analysis and consultancy, to name a few.

Multiple research elements can be bought from one supplier or procured separately, but all those sourcing decisions have to be carefully integrated and managed as a whole. There is little point in insisting on online data collection because it's inexpensive and sold by your preferred online supplier, when an alternative research proposal shows that the audience you seek to understand is under-represented on the Internet (e.g. the very old or those on low incomes).

There's also the added factor of knowledge. A supplier will become an expert in the project area it is commissioned to conduct research in, as well as gaining a deeper understanding of your business in the process. It may be worth making a significant and long-term investment with one supplier to integrate knowledge across multiple projects and data sources so that the supplier becomes a trusted partner over a number of years – potentially providing savings down the line.

These are all complex and inter-linked factors that must be considered when purchasing research. Again, the decision must be considered as an investment, not a one-off, short-term cost.

### 3.6 RESEARCH SUPPLIERS HAVE A DISTINCT BUSINESS MODEL

It's useful for those buying research to understand some of the common business pressures that research suppliers deal with. What can seem a black mark against a supplier is often a common, industry-wide issue.

■ **Barriers to entry for new suppliers are low.** New agencies are created or spun-out of others relatively easily as there is no large capital investment required (such as real estate, factories or equipment). It's possible for individual consultants to set up on their own and be able to buy-in any data or extra services needed without compromising on quality – there is a good secondary market for most elements required in a typical research project (recruitment of participants for qualitative research, viewing studios, survey scripting, quantitative data collection, data processing, analysis and so on).

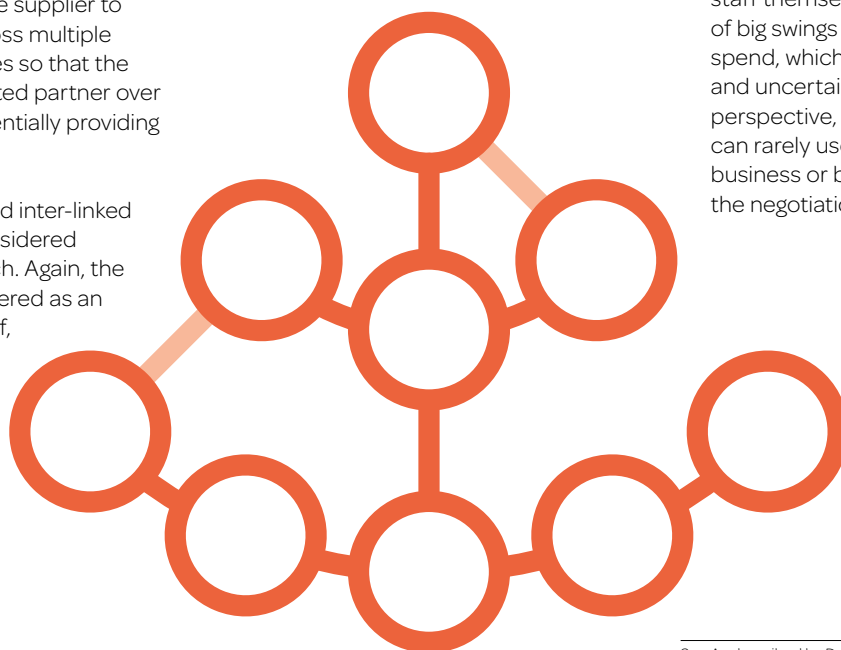
Some elements of research do depend on having national-scale capabilities – for example full random-probability sampling to a standard that meets national social research needs. But even then, it's possible to buy-in national fieldwork capability from one of the large research suppliers. Essentially, good research insight or consultancy depends very little on the size of the supplier.

■ **Personnel change.** Research suppliers – like all professional services firms or 'people businesses'<sup>8</sup> – have to balance two chief areas of focus: clients and revenue; and staff and career paths. Larger suppliers will have a mix of senior staff who direct client relationships and workstreams; mid-level staff who manage projects and teams; and junior staff who perform tasks while developing their technical skills. The ratio of senior through to junior staff will be driven by the type and complexity of work the supplier takes on.

Naturally, there will be constant progression from juniors up to seniors through the normal career cycle – so, necessarily, there will be a steady change of faces in any supplier. That's not an indication of high staff turnover or instability – it's simply an indication of professional development within the organisation. Good account managers will ensure that movement within client teams doesn't result in lack of cohesion for the client.

■ **Budget uncertainty can have a big impact on a research supplier's income stream.** Many businesses establish plans and related budgets at the start of each financial year, which, while allowing for some flex, are essentially fixed. Research is, however, is a discretionary investment and can be scaled up or down. These types of investment can often change significantly throughout a budget year, or be cancelled entirely.

Research suppliers have to plan and staff themselves in an environment of big swings in individual client spend, which can be challenging and uncertain. From a procurement perspective, this also means buyers can rarely use the guarantee of volume business or big spend as leverage in the negotiations.



<sup>8</sup> As described by David Maister, *Managing the Professional Service Firm*, 1993, Simon & Schuster

### 3.7 MEASURING PROCUREMENT PERFORMANCE IN MARKET RESEARCH

For procurement teams buying direct materials, expenditures are straightforward costs. So reducing costs is the obvious metric by which to measure success. Quantifying savings is pretty straightforward – either last year’s costs or average supplier bids can be used as a baseline to evaluate against.

Measuring success in buying research is more complicated. It’s a discretionary spend, specifications are difficult to standardise and no two proposals are the same. So cost savings alone are not the key metric.

Assessing the process and performance of the procurement team buying research must consider a variety of factors: cost savings, yes, but also the soft skills, relationship building (both with supplier and in-house commissioning team) and the mindset to approach the negotiation as an investment where returns back to the other business stakeholders are important.

To assess the overall success of procuring research, the short-term buying process must be evaluated alongside the wider and longer-term, harder-to-measure – value the research and resulting insight brings to the business.

In procurement terms, wider organisational benefits shouldn’t be regarded as a ‘soft saving’ (do that and your marketing services procurement team will always appear unsuccessful at cost savings). The wider organisational value obtained by procurement soft skills and cross stakeholder collaboration may far outweigh any hard savings made from traditional “strategic sourcing”.

Cost savings are good, cost avoidance is good – increased profits from great customer insight is also good. They all have to be measured as part of the ‘value added’ metrics. Don’t accept the argument that procurement teams should focus on the cost of the project, while research or marketing departments focus on the returns / benefits of the research. This doesn’t result in healthy tensions – just competing objectives that will likely result in unsatisfactory outcomes.

For best practice buying, procurement teams must assess and be assessed on the same basis as the client commissioners. Evaluating an investment is not a short-term exercise or indeed simple. The overall success of purchasing research relies upon and must be assessed within the wider business environment as a whole. This wider definition of procurement success – “Category Management” is contracted with a narrower more traditional view “Strategic Sourcing” below<sup>9</sup>

**Figure 1. Category management: more strategic and holistic than strategic sourcing**

	STRATEGIC SOURCING	CATEGORY MANAGEMENT
GOAL	Reduce purchased costs for a given commodity, most often by selecting lower-cost suppliers through demand aggregation, competitive bidding and negotiation.	Maximise realised category value to the organisation, including total cost of ownership (TCO), risk, operational performance, innovation, etc.
FREQUENCY	Periodic and project-based. Triggered over one or more years in the course of managing a commodity.	Ongoing, day-to-day process. Triggers project-based activities and other operational improvements as needed.
APPROACH	Conducted via an n-step sourcing methodology culminating in transitions to a new supplier contract.	Develops a category strategy and applies appropriate value levers and supporting techniques/tools as needed to meet value objectives (e.g., strategic sourcing, SRM, value engineering, process reengineering, demand and compliance management).
RESULTS	Reduced contract pricing translating to actual realized savings hitting the bottom line.	Category value is targeted, including validated savings and broader value measurement.

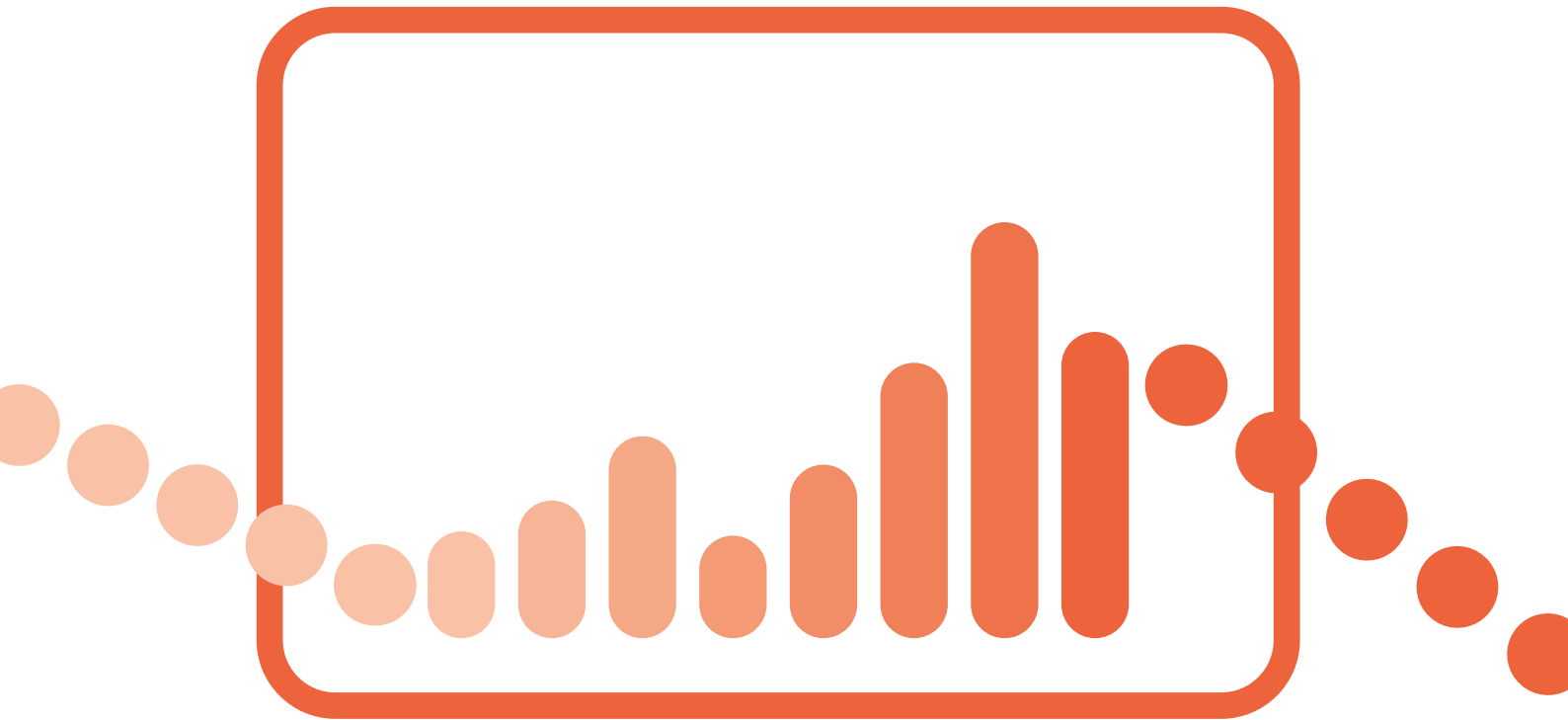
<sup>9</sup> For a full description and article from the Hackett Group see <http://www.mypurchasingcenter.com/purchasing/industry-articles/category-management-beyond-the-strategic-in-strategic-sourcing/>

---

# 4

---

# THE MARKET RESEARCH CATEGORY



## 4.1 THE SCOPE OF RESEARCH IN COMMERCIAL ORGANISATIONS

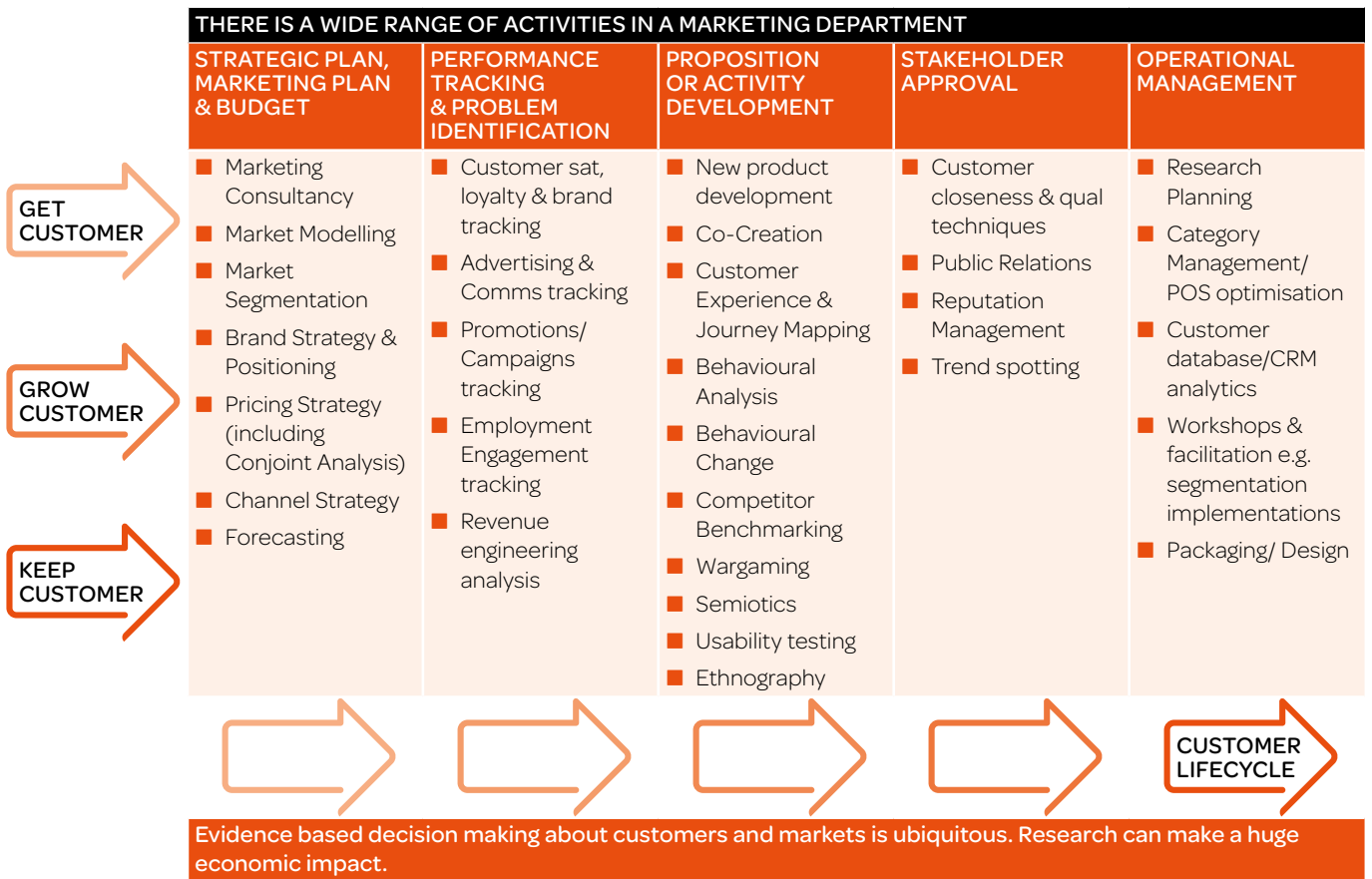
Research can underpin and support a wide range of business activities in acquiring, growing and keeping customers. Research is equally pervasive in evidence-based decision and policy making in non-profit and public sector environments. A summary of commercial examples is shown in figure 2 below.

The diagram above shows the scope of research activities in business, shows the wide variety of research and evidenced based consultancy that might take place in a client organisation. While some techniques like wargaming are niche or bordering on marketing or pricing consultancy, many research projects will follow a similar pattern of:

- Agreeing a research design to solve a business or policy objective
- Gathering or use of some data about market or decision making behaviour from a relevant audience,
- Analysing the findings and proving recommendations for some form of organisational benefit from the evidence in the data.

Historically, many suppliers became focused on the methods they use, rather than the problems they solve, so even today you'll find reference to "qualitative" and "quantitative" research, which may in turn be departmentalised. Alternatively, you will also find some suppliers who are less focused on methods and structured with a range of in-house skills and a careful selection of outsourced methodologies aimed at particular sectors or problem types or audiences to be researched.

Figure 2: The scope of research in commercial organisations



---

## 4.2 A TYPICAL RESEARCH PROJECT ROAD MAP

A typical project journey is mapped below. It's cross referenced to four types of supplier assurance or certifications from external objective bodies. The cross references are example benefits of each type of certification and not a comprehensive list. The intention is to show why as a buyer you might consider seeking an accredited supplier and what factors you might take into account in an overall evaluation of cost-benefit / investment-return. Most of the accreditations can be used in the MRS's online version of its Research Buyers Guide – a link is here: [https://www.theresearchbuyersguide.com/advanced\\_search/](https://www.theresearchbuyersguide.com/advanced_search/)

### MRS Accredited Company Partner

MRS Company Partners sign up to the MRS Code of Conduct (the self-regulatory code for research professionals and organisations). All staff must adhere to the Code of Conduct as a contractual obligation. The MRS has a formal disciplinary process to enforce the Code for practitioners plus a complaints procedure to investigate complaints against researchers suppliers.

### Fair Data accredited supplier

Fair Data is an accreditation launched in January 2013 to show which organisations handle their customers' personal data fairly. A Fair Data company must meet the 10 Fair Data principles. Details are here: <http://www.fairdata.org.uk/>

The Fair Data accreditation is aimed at the end consumer and is designed to give the consumer confidence that any use of their personal data will be fair and secure. Several key principles are also objectives of the international standard for information security ISO27001 (see below).

### ISO 20252 accredited supplier

Developed by an ISO Technical Committee by national standard bodies (of which MRS is a member) and in liaison with federal bodies such as EFAMRO, plus global associations such as ESOMAR and WAPOR, the standard sets out requirements in a Quality Management System for organizations conducting market, opinion and social research.[2] The standard is divided into five sections which cover the end-to-end process of a research project:

- Research process management systems
- Managing the executive elements of research
- Data collection
- Data management and processing
- Reporting on research projects

### ISO 27001 accredited supplier

The raw material of research is data, including at times confidential and personal data. This data can be highly sensitive and data loss or mishandling can lead to intervention and fines from the Information Commissioner. Penalties are potentially a high commercial risk at up to 4% of global organisational turnover.

ISO27001 is the international standard for information security. Having emanated from the banking sector it is extremely rigorous in addressing any and every organisational aspect where the confidentiality, integrity and accessibility of information risk. The development of an information security management system accredited to ISO27001 is one of the best supply chain mitigators of data privacy risk.

## PROJECT STAGE

RFP issued by Commissioning researcher, Response to RFP returned = "Proposal" or "Research Design" or "specification"

DETAILS	POTENTIAL COMMERCIAL/QUALITY/DATA PROTECTION RISKS	POTENTIAL RISK MITIGATION FROM SECTOR ISO'S ETC
<ul style="list-style-type: none"> <li>■ Commissioners issue brief to agencies to search for specification to solve the problem (and to evaluate price vs benefits)</li> <li>■ A "free" proposal is written by the supplier agency in response to the customer brief.</li> <li>■ Senior researcher input is required to design research that is fit for purpose</li> </ul>	<ul style="list-style-type: none"> <li>■ Risk that standard "products" not fit for purpose for client needs</li> <li>■ Bespoke research designs need a detailed understanding of client business and research objectives, audience to be researched, and appropriate research methods.</li> <li>■ Research may require clients customer details to move to agency and subcontract data collection special – risk of personal data breach of confidentiality, integrity and loss</li> <li>■ Research on sensitive health and other topics require Ethics compliance</li> </ul>	<p><b>MRS Company Partners will:</b> Conduct research to the MRS Code of Conduct including respecting participants confidentiality. MRS Company Partners are subject to MRS regulation and disciplinary proceedings for valid client complaints – others are agencies are unregulated for UK activities.</p> <p><b>Fair Data Companies will:</b> Ensure that all personal data is collected with customer consent</p> <p><b>ISO20252:2012 certified suppliers will:[ISO20252:2012 s4]</b> Issue proposals that cover set minimum standards for research design (inc statistical reliability), disclosure (eg subcontracted elements), items that will affect the price, timetable, inc client deliverable</p> <p><b>ISO27001:2013 certified suppliers will: [ISO27001:2013 A.6.1.5]</b> Risk assess potential to breach Data Protection Act at proposal level e.g. assess of personal or anonymised data will be used, if it will be handled if it will be handled within the EU by approved subcontractors, etc</p>

## PROJECT STAGE

Objectives & research design confirmed

DETAILS	POTENTIAL COMMERCIAL/QUALITY/DATA PROTECTION RISKS	POTENTIAL RISK MITIGATION FROM SECTOR ISO'S ETC
<ul style="list-style-type: none"> <li>■ A project briefing meeting provides an opportunity for end client stakeholders to provide additional background information to the project and for the agency to explain the recommended sample design and research methods</li> <li>■ The approach can be signed off at the meeting, or the agency will adjust the sample design, quota and research methods based on additional information provided</li> <li>■ Change in the definition of the sample groups and quotas may result in the requirement for additional interviews amongst target groups with lower incidences, or the inclusion of a greater number of target groups with lower incidences</li> </ul>	<ul style="list-style-type: none"> <li>■ Project timings may be compromised by the requirement for a revised research design to be signed off. This is a tangible deliverable and transfer of IP from supplier to client</li> <li>■ Depending on range of stakeholder interests, consensus agreement may not be easily reached adding to further delay or postponement</li> <li>■ In the proposal writing stage, market and client available information are used to determine the incidence rate of each target group. Where a panel is used for research participants, costs provided by the field team /agency and confirmation of feasibility are determined by these incidence rates quoted by the client. There is significant risk of cost variations as specifications evolve.</li> </ul>	<p><b>MRS Company Partners will:</b> (clause 8) be obliged by MRS Code to design research to quality standards agreed with the client; (clause 9) ensure rights and responsibilities if supplier, client and subcontractors are governed by written contracts</p> <p><b>Fair Data Companies will:</b> Ensure any personal data usage falls within consents given by customers</p> <p><b>ISO20252:2012 certified suppliers will:[ISO20252:2012 s4.3]</b> Issue an agreed schedule for sign off of key approvals for client supplied material, questionnaire and /or discussion guide, data collection timing, deliverables and timings.</p> <p><b>ISO27001:2013 certified suppliers will: [ISO27001:2013 A.7]</b> Staff the project only with pre screened employees who are properly trained to understand the risks of handling personal data and who undergo information security update training at least annually. ISO27001 certified researchers are subject to disciplinary procedures for breach of agreed client data security standards.</p>



**PROJECT STAGE**

**Research participants / sample acquired**

DETAILS	POTENTIAL COMMERCIAL/QUALITY/DATA PROTECTION RISKS	POTENTIAL RISK MITIGATION FROM SECTOR ISO'S ETC
<ul style="list-style-type: none"> <li>■ In some projects, client or commercially available sample must be used</li> <li>■ Both types of sample present a host of challenges that must be anticipated before fieldwork</li> </ul> <p><b>Client Sample:</b></p> <ul style="list-style-type: none"> <li>■ Requests can take several weeks to be queried by the relevant internal department, impacting project timings</li> <li>■ There may also be an insufficient amount of sample available that meets sample and quota requirements – at a minimum 10 – 12 x sample is required to achieve a specified number of interviews/ recruits within a target cell. If additional sample is not available, number of interviews within quotas will require review</li> </ul> <p><b>Commercially available sample:</b></p> <ul style="list-style-type: none"> <li>■ Suitability of sample is not known until it has been received and reviewed for including the sufficient number of records and contact details</li> </ul>	<p><b>Client Sample:</b></p> <ul style="list-style-type: none"> <li>■ Quality of client databases varies , with the potential for sizable proportions of sample to be missing required fields – e.g. name, contact number/ email address</li> </ul> <p>Sample can include duplicate records, non-target groups, inaccurate or out of date information. Time must be taken in advance to review the records to create a 'clean' version of the sample file. Depending on the sample file, this may take several hours to a few days to create</p> <p><b>Commercially available sample:</b></p> <ul style="list-style-type: none"> <li>■ Additional sample may need to be purchased at additional cost</li> </ul>	<p><b>MRS Company Partners will:</b> (clause 16) ensure any research participants have given informed consent where personal data is collected directly from them or; (clause 17) ensure there is a fair and lawful basis for the collection and processing of personal data from sources other than the data subject themselves.</p> <p><b>Fair Data Companies will:</b> Ensure that staff understand that personal data is personal and treated with respect.</p> <p><b>ISO20252:2012 certified suppliers will:[ISO20252:2012 s5.4 &amp; 5.5]</b> Have a variety of contractually binding research participant validation techniques in place to ensure participants are who they say they are and are not duplicates of sample already obtained. Access Panel sample is held to specific validation standards for validation and deduplication.</p> <p><b>ISO27001:2013 certified suppliers will: [ISO27001:2013 A.13.2]</b> Have formal policy, procedures and training in place for secure information transfer, including encryption, of information transferred from clients to ensure confidentiality, integrity and accessibility of data obtained.</p>

**PROJECT STAGE**

**Discussion guide / questionnaire written, checked and client sign off obtained**

DETAILS	POTENTIAL COMMERCIAL/QUALITY/DATA PROTECTION RISKS	POTENTIAL RISK MITIGATION FROM SECTOR ISO'S ETC
<ul style="list-style-type: none"> <li>■ Draft discussion guides and / or questionnaires incorporating topic areas / questions to address all research objectives are written and delivered to the client as early as possible (e.g. within 1 – 2 days)</li> <li>■ Qualitative approaches will be using a variety of techniques to understand how decisions are made in reality. This may be very different from what is first reported from direct questioning of a research participant.</li> <li>■ Quantitative approaches will be balancing client information needs with the art of what's possible to obtain from a long survey. For example "how many lightbulbs are in your house" may elicit non response or poor response but "how many bedrooms are in your house" and estimating bulbs in each plus assumptions re other rooms may deliver a better response rate and overall more accurate data</li> <li>■ Sufficient time must be set aside for a minimum of two team members to review all routes through a quant questionnaire script to verify they are working correctly</li> </ul>	<p><b>Potential risks:</b></p> <ul style="list-style-type: none"> <li>■ The inclusion of too many research objectives often results in a discussion guide / questionnaire that is over the length costed or endurable for a participant</li> <li>■ For quantitative studies, questionnaire edits are the recommended approach to keep the fieldwork within required budget and timings, and to ensure respondent engagement</li> <li>■ Where compromise is not possible, the additional costs for a longer questionnaire length are quoted post commission</li> <li>■ All measures should be taken to avoid a questionnaire length of greater than 30 minutes as this will have a negative impact on respondent engagement and timings</li> <li>■ For qualitative studies, lengthy discussion guides should have key topic areas prioritised to ensure that these are covered within the time available</li> <li>■ Fieldwork start will be delayed if requested changes are not implemented and verified in time (e.g. 3 PM cut off time for launching online questionnaires on panel)</li> <li>■ Clients may ask to review the link which may require several edits before in sufficient form to share with client</li> <li>■ Script changes suggested by clients may not be feasible or require additional time and cost to incorporate – e.g. inclusion of interactive/ flash programming</li> </ul>	<p><b>MRS Company Partners will:</b> (clause 18) design adequate disclosure of research process to allow informed consent.</p> <p><b>Fair Data Companies will:</b> Ensure that vulnerable and under aged research participants are properly protected in the research process.</p> <p><b>ISO20252:2012 certified suppliers will:[ISO20252:2012 s3.4]</b> determine the competences for personnel affecting the project; provide training or other actions to achieve the required competence, maintain records of education, training, skills and experience, periodically review the effectiveness of company training and competence standards.</p> <p><b>ISO27001:2013 certified suppliers will: [ISO27001:2013 A.11]</b> Ensure that agency work is conducted in a properly secure working area with adequate access control to prevent interference with the organisation's information and information processing facilities</p>

**PROJECT STAGE**

**Stimulus or any client supplied materials finalised**

DETAILS	POTENTIAL COMMERCIAL/QUALITY/DATA PROTECTION RISKS	POTENTIAL RISK MITIGATION FROM SECTOR ISO'S ETC
<ul style="list-style-type: none"> <li>■ If stimulus is required as part of the research, the delivery, design and sign off of these materials must be incorporated into the timings</li> </ul>	<ul style="list-style-type: none"> <li>■ <b>Print stimulus</b> may not be delivered in a consumer-friendly format and fitting for the methodology so will require additional time to re-write/ edit/ converted</li> <li>■ <b>CATI:</b> Concepts should be succinct and clearly understood when read out</li> <li>■ <b>Online/ F2F/ qual:</b> Written stimulus should clearly explain each concept in as few words as possible. Imagery/ video should be in a compact, usable format (e.g. jpg, mp4) without compromise on colour/ resolution</li> </ul>	<p><b>MRS Company Partners will:</b> (clause 12) ensure that research material is kept distinct from subtle or express direct marketing to protect participants and client ability to conduct self regulated research ongoing</p> <p><b>ISO20252:2012 certified suppliers will:[ISO20252:2012 s4.7]</b> ensure client instructions on safe handling material supplied are adhered to; client material will be stored confidentially – access will be controlled</p> <p><b>ISO27001:2013 certified suppliers will: [ISO27001:2013 A.11]</b> Ensure that client confidential materials eg unlaunched new product is conducted in a properly secure working area with adequate access control to prevent interference / compromise the organisation's client information / stimulus material</p>

**PROJECT STAGE**

**Brief moderators and /or the quant field team (both either in house or outsourced agency)**

DETAILS	POTENTIAL COMMERCIAL/QUALITY/DATA PROTECTION RISKS	POTENTIAL RISK MITIGATION FROM SECTOR ISO'S ETC
<ul style="list-style-type: none"> <li>■ Prior to the fieldwork, all moderators on the project will be thoroughly briefed to ensure a thorough understanding of objectives, methodology and stimulus</li> <li>■ For international fieldwork, moderators are sent briefing documents and briefed in advance and directly before the groups take place</li> <li>■ Briefing the field agency is an important step in communicating the specific requirements, including target audiences, programming instructions, and visual display of stimulus</li> <li>■ Briefings are provided verbally and with detailed written instructions</li> <li>■ Time spent at this stage should minimise scripting errors and time required for script checking</li> </ul>	<ul style="list-style-type: none"> <li>■ Minimal risk in the qual briefing stage, unless a significant proportion of fieldwork is outsourced. If so, this is managed by setting up a reporting template for findings from group discussion/ interview are provided by each moderator</li> <li>■ For international qualitative fieldwork, risk is managed by viewing all fieldwork and providing direct feedback during and between groups</li> <li>■ Miscommunications/ errors can still occur, especially around more complex quant requirements – e.g. routing, trade-off exercise programming</li> <li>■ Flexibility in responding to issues varies depending on the field team /agency – overnight or weekend service is not guaranteed, even if the field agency are the source of the issue</li> </ul>	<p><b>MRS Company Partners will:</b> (clause 27) be aware of additional best practice to protect participant anonymity and its importance where small groups are researched</p> <p><b>Fair Data Companies will:</b> Manage their data supply chain to the same ethical standards they expect from other suppliers.</p> <p><b>ISO20252:2012 certified suppliers will:[ISO20252:2012 s3.5]</b> remain responsible for the quality of any outsourced process and subcontractors must either be contracted to ISO20252 standards, have ISO20252 certification, provide evidence of ISO level checking and validation, or the prime agency must conduct ISO level validation</p> <p><b>ISO27001:2013 certified suppliers will: [ISO27001:2013 A.15]</b> Have formal supply chain management and supplier approval practices in place to mitigate any risks in suppliers handling client information assets eg respondent lists with personal data or personal data on client sample</p>

**PROJECT STAGE**

**Qualitative only**  
**Conduct qualitative fieldwork**

DETAILS	POTENTIAL COMMERCIAL/QUALITY/DATA PROTECTION RISKS	POTENTIAL RISK MITIGATION FROM SECTOR ISO'S ETC
<ul style="list-style-type: none"> <li>■ Fieldwork most often requires regional representation so will involve the project and field team to co-ordinate fieldwork across all locations</li> </ul>	<ul style="list-style-type: none"> <li>■ If a significant number of participants do not attend a group discussion, the group may need to be re-scheduled at full cost to the research agency</li> <li>■ If the shortfall in respondents is minimal, the client may agree for the re-recruits to be interviewed using a lower cost depth interview methodology</li> <li>■ Other risks at this stage are related to extenuating circumstances such as weather or transport failure causing groups/ interviews to be cancelled resulting in additional fees to be paid and a delay in the project timeline</li> </ul>	<p><b>MRS Company Partners will:</b>                      (clause 41-43) make any client observers of research aware of their legal and ethical responsibilities and ensure that observers cannot adversely affect participants interests e.g. in employee or business to business research</p> <p><b>Fair Data Companies will:</b>                      ensure any staff with access to personal data are properly trained in its use.</p> <p><b>ISO20252:2012 certified suppliers will:[ISO20252:2012 s5.4 &amp; 5.5]</b>                      Have a variety of contractually binding research participant validation techniques in place to ensure participants are who they say they are and are not duplicates of sample already obtained. Access Panel sample is held to specific validation standards for validation and deduplication.</p> <p><b>ISO27001:2013 certified suppliers will: [ISO27001:2013]</b>                      Have a variety of assurance and security techniques to ensure data security is maintained across the supply chain including: supply chain management, cloud security (relevant to online interviews), secure handling of data on media devices eg USB's</p>

**PROJECT STAGE**

**Quantitative only**  
**Soft-launch questionnaire, check topline, monitor quotas and complete quantitative fieldwork**

DETAILS	POTENTIAL COMMERCIAL/QUALITY/DATA PROTECTION RISKS	POTENTIAL RISK MITIGATION FROM SECTOR ISO'S ETC
<ul style="list-style-type: none"> <li>■ A soft-launch of 50 – 80 interviews allows for a final check that the script has been programmed correctly</li> <li>■ It also allows for an understanding of the rate at which the quotas are being filled</li> <li>■ If quota(s) continue to be difficult to fill as fieldwork progresses, this is an indication that they represent a small/ low incidence group</li> <li>■ Consideration should be given to how the definition of target groups should be relaxed to result in a more 'realistic' definition that is more likely to be found in the market</li> </ul>	<ul style="list-style-type: none"> <li>■ If fieldwork is going slower than anticipated or there are any quotas that have fewer than expected respondents, consideration should be given to how this can be addressed-</li> <li>■ CATI/ F2F: Additional operators/ interviewers may need to be put on the job</li> <li>■ Online: A greater number of panellists will need to be targeted with the possible requirement to use other panel providers to provide additional sample                         <ul style="list-style-type: none"> <li>□ The cost of using an outside panel will be relevant for project price /cost.</li> <li>□ Although panel aggregators use multiple panels from the outset, additional costs may still be incurred if with hard to fill quotas</li> </ul> </li> <li>■ If these difficult quotas may not be relaxed, resulting in small base sizes that may need to be significantly up-weighted</li> </ul>	<p><b>MRS Company Partners will:</b>                      (clause 33) ensure that participants are able to provide information in a way that reflects the view they want to express and are not led to a particular point of view</p> <p><b>Fair Data Companies will:</b>                      Ensure that ethical best practice in personal data is integral to their procurement process.</p> <p><b>ISO20252:2012 certified suppliers will:[ISO20252:2012 s5.4 &amp; 5.5]</b>                      conduct backchecking (validation) of at least 10% of participants to check they met qualifying quota criteria (unless documented exceptional circumstances apply)</p> <p><b>ISO27001:2013 certified suppliers will: [ISO27001:2013 A13.2]</b>                      have formal policies and procedures in place across the organisation and its supply chain to maintain the security of any information transferred.</p>

**PROJECT STAGE**

**Analyse and report findings**

DETAILS	POTENTIAL COMMERCIAL/QUALITY/DATA PROTECTION RISKS	POTENTIAL RISK MITIGATION FROM SECTOR ISO'S ETC
<ul style="list-style-type: none"> <li>■ Moderators will convene to discuss findings across groups/ interviews and determine the key insights, conclusions and recommendations</li> <li>■ Content analysis (key interview findings), quotes / verbatims may be used</li> <li>■ Once a quantitative data file is delivered with the final number of completes overall and in each target group, the file may need to be weighted to bring the data into alignment with the wider market or client customer base for further comparison and analysis</li> </ul>	<ul style="list-style-type: none"> <li>■ Minimal risks in qualitative research at this stage if research has been designed and executed to plan</li> <li>■ Market/ client data may not be available or there can be delays in the receipt of this information which postpones the start of analysis and reporting</li> <li>■ To keep to reporting timings, the data will be run and analysed as un-weighted data, with secondary analysis and reporting of weighted data required to feed into the final report</li> </ul>	<p><b>MRS Company Partners will:</b> (clause 54) Clearly distinguish presentation outputs between facts, opinion and interpretation and (clause 47) ensure that findings are adequately supported by the data.</p> <p><b>Fair Data Companies will:</b> Benefit from Fair Data branding reassuring potential and actual customers participants in research regarding how any personal data will be safeguarded.</p> <p><b>ISO20252:2012 certified suppliers will:[ISO20252:2012 s5.4 &amp; 5.5]</b> record the full methodology of the project in sufficient detail to allow the project to be replicated at a later date. Documentation will be available to the client.</p> <p><b>ISO27001:2013 certified suppliers will: [ISO27001:2013 A14]</b> Ensure any software aquired or developed for the analysis process is controlled and secure throughout its life cycle.</p>