

Demographics User Group Conference 2009

Panel Session: More and better for less – how we can improve insight and its impact during the recession

Views from Andrew Tasker (Optimum Locations & DUG)

- Insight is about blending information gained from research and analysis with first hand experience of the market and the Business itself.
- Businesses in the past tended to be run on a top down basis with the Directors using their experience to drive the Business. Today it is very much a bottom up process with customer information driving the Business forward.
- Vast customer databases and powerful analytical tools allow Businesses to access more customer information than they can probably cope with. This alone however can be unhelpful and even misleading with entrepreneurial experience of the market.
- There is a risk that a Company becomes driven by huge complex models hungry for customer data.
- Companies obviously want to improve insight at all times, but during a recession there are two significant issues.... Challenging demands on budgets and a “volatility” of customer behaviours that are important to understand.
- During times of Recession, the research and insight budget is an obvious target for the axe. Although the need for insight is even greater in these times it is important to review and audit all the current data sources to establish whether they are nice or need to have.
- All requests for analysis should be challenged with the question of what action will the analysis lead to.
- Are there more freely available data sources (e.g. OAC)?
- Are surveys more robust than they need to be? For instance could the frequency of the survey or sample size be reduced?
- Are we paying excessive fees for external consultants when we could bring the project in-house?
- During the recession, as consumers worry about redundancy, mortgages and retirement prospects, there are a number of ways they react to these pressures. *Local Futures* have identified 4 ways they deal with these pressures:
- Coping with everyday life on a day to day basis. Taking advantage of “Value and Basics” ranges and saving money where possible.
- Retreating into safe areas. Spending more time at home and sticking to familiar brands and products rather than venturing into new areas.
- Escaping from the day to day misery by spending much time on the golf course and having cheap breaks.
- Sharing risk especially on big ticket items, taking advantage of “all inclusives”, “fixed rates” and taking out redundancy insurance.
- Therefore Businesses should resist the temptation to cut key research, understand how customers redefine value, focus on family values and ensure the marketing is appropriate (e.g. no gimmicks, value orientated and emphasis on core values).