THE MARKET RESEARCH EVENT 2011
lead in a new direction

Jennifer S. Nelson

JOHNSON & JOHNSON

I'm Marc Dresner, and welcome to *The Research Insighter*, an executive interview series featuring many of the leading voices in market research and consumer insights today.

The Research Insighter is produced by The Market Research Event 2011—the world's largest and most comprehensive conference dedicated to elevating the business value of insights—taking place November 7-9 in Orlando, Florida.

Today I'm delighted to welcome Jennifer Nelson, Global Strategic Insights Director of Personal Care & Women's Health at Johnson & Johnson Consumer Healthcare.

Jen, tell us a little bit about your role and responsibilities.

Jennifer: As you mentioned, I currently work for Johnson and Johnson in our Consumer Businesses. Up until a few months ago, I was leading GSI—Global Strategic Insights—on our sanitary protection businesses, as well as doing some work on what we call the GSI Center of Excellence, sort of the interim Center of Excellence. We are sort of reinventing that. By interim I mean really casting at the future while you take a pause without staff and next to no fiscal resources as it happens in market research sometimes.

You mentioned that you're going to be moving forward into a new area. I want to let our audience know that you've been on maternity leave for a bit. Congratulations, by the way.

Jennifer: Thank you. Yes, I did forget to mention that's why I mentioned "a few months ago." In a couple of months, when I return, I will be leading GSI for what we call our skin businesses. Some of the brands you might be familiar with are

Neutrogena, Aveeno, RoC, Clean & Clear and also the baby businesses. I'm excited about that.

That's good timing.

Jennifer: Yes.

When we spoke earlier, and you mentioned that maternity leave, having that extended the time off, afforded you the opportunity to take off your researcher's hat and see the world through a less filtered, more authentic consumer lens. What did you discover in that time?

Jennifer: Great question. Right before I had this baby I was actually working and thinking a lot about consumer decision making in, I guess you could say, an academic way. In other words, what was going on in our brains, specifically the actually topography of our brains, different sections of the brain and so on. And a lot of exciting stuff that is emerging in the role of emotion in our decisions and all the new tools and techniques for market research to study it. However, once I was out of the office and actually caring for a new baby, I found myself much more immersed in the real world, in my own consumer experiences. Once that baby started sleeping a little more and I was less of a zombie, I have actually been privileged to find some time to reflect on it.

For example, I had this really interesting ongoing interaction recently with a specialty food manufacturer. They make foods that are free of the top eight allergens. I have an older child who has a lot of food allergies. So, it has been a go-to brand and company for us, especially with their convenient snack bars. So, recently we noticed that the snack bar was insanely small and the primary package almost seemed deceptive to me. There was so much air space around it and it sort of got under my skin.

So Lisa, my nanny, emailed customer service about this issue. Of course, she got an automated response that she'd hear back within 48 hours. A couple of weeks later she mentioned to me that she never heard from them.

So, I tweeted about it and, of course, tweeting got their CMO to respond to me immediately. In particular, he asked where I had posted my complaint and that kind of struck me. So, hold that thought for a second. Ultimately, they did take care of it. There are not that many specialty food manufacturers, so I want everyone listening to know that they did take care of me, they were great, they followed up and so on.

But, taking a step back and thinking about how the CMO had specifically asked where I had posted the complaint made me think that there are a couple of lessons to be learned from this.

First, it reminds us that as wonderful and sexy as it is to have your company in social media, you still have to make sure that good ole customer service is functioning well and fully in the loop and so on. In reality, hardly any of us consumers are tweeting or blogging about their products. But, customer service is actually getting hundreds of calls a day. Reality is that each one of these consumers actually does a majority of the influencing of others in the offline world. Like me, at this point, my online world and offline world is one, seamless, continuing existence.

But, probably more apropos to today's conversation, I thought there was another important, telling element of this, which is on the market research front: This type of interaction reminds us to really look at opportunities that abound within our own four walls of our company.

We always complain about not having enough resources to get close to the consumer. I'd love to have regular, systematic ethnographies going on, but that's not going to happen at my company. It's just too resource intensive to happen any time soon. But you know what? We have extensive call centers in the next state over from where my location is talking to consumers every day. Thousands of them a week. So, you know, doing that is not without its challenges.

If you want juice from this fruit, you've got to put the squeeze on. It's difficult and researchers are not always comfortable doing things like setting the agenda of what needs to be done in their own company and breaking down organizational barriers. But, I think it really could be worth it, especially for all the researchers out there who like to be contrarians because it is infinitely uncool right now to be talking about customer service telephone lines when there's a whole world of social networking going on. But it actually might be, in fact, more fruitful.

I would assume that this is something that you are going to be applying when you come back?

Jennifer: Definitely. It's one of the things that I'm excited about is the opportunity to—we are actually reorganizing a lot within J&J Consumer right now and sometimes out of that type of organizational chaos comes great opportunities. So, I plan on jumping right on that and really forging new relationships.

Change—when we first spoke prior to this interview—seemed to be a recurring theme for you. Experts in many fields have suggested that the pace of change is accelerating exponentially. Are we currently, in your opinion, equipped to navigate the changes ahead as an industry? How can an industry or profession like research—which is generally averse to change—keep up with what's happening?

Jennifer: It is really a challenging area for us because evolutionarily, our brains, we are not wired to perceive and react to change going on around us. As individuals, we perceive change when it's like your own personal experience and it's right in your face. But the kinds of technological and global socioeconomic macro change we have going on? It's all easy to ignore. You don't wake up one day and say: "Oh now I need to be able to understand statistical pattern learning." You just don't. It doesn't happen that way. There is no one, single day when that is suddenly a critical career survival skill. So, we continue to do what we did before.

But on the positive side, the good news is that there is actually a ton of innovation going on in tools and techniques in marketing research and business analytics and a lot of smart people are coming out of engineering and business programs who simply want to know why consumers do what they do. Or hearing the age-old business questions and finding new data-driven tools to get answers. They don't know anything about "traditional" market research methods and they are really not concerned about breaking our rules.

So, for those of us ancient researchers—I mean good grief, I'm so old that I actually used to create mail surveys—for relics like me out there, I think at a personal level we need to challenge ourselves to take on at least a couple of new methods or tools or areas of work to find out for yourself what you can do with them and how they work. And then, of course, some of the relics like myself out there are at an organizational level where we can set the agenda for our own research organizations to really push us to pull in the new methods, new research on research, all while actually seeking ways to impact decision making for the actual businesses that we work on.

When we talked last, you spoke rather passionately about the urgent need for researchers to transform the language that we use to categorize our tools and ourselves. Why do you feel that a new nomenclature is so important? What should it look like? Why is it so urgent?

Jennifer: It is actually a great segue from the prior question, although the link might not be obvious. Last year I was working a bit with the ARF on their research transformation initiative and through that process I came to realize that as an industry, we in marketing research are probably our own worst enemy on a variety of fronts. But in particular, in this one really simple way: how we communicate about our own craft.

There is just way too much focus on talking about research in terms of its categorization of the method. This method nomenclature ends up dominating discussion. In doing so, at some organizations I've seen time and time again that the net effect is that…Any given marketing person or line leader can frame up what ought to be a discussion of a business challenge, right? Whatever is going on with the business. Instead, this person ends up talking to their marketing researcher—even their most senior marketing researcher insight leader—as a commandment of what type of research should be done. It's really time we take control of this discourse and own our own identity as a function by framing what we do in the full context of business need.

There's this perennial clichéd issue in the market research industry of how do we get to a seat at the table, right? The answer is simple. To be relevant, you need to stop talking about what you do in terms of methods. Go talk methods with other research nerds like me. I'll buy the beer. I'm there. That's fine. But talk to your CEO about how you can systematically improve the efficiency of the company's A&P investment by 5% every year for the next five years. That might actually make a better conversation instead of saying to him: "We really need to do marketing mix analysis with vendor X because their method gives better Durbin-

Watson numbers" or something like that. Really? Do you think your CEO is going to react to that? Or do you think he wants to make his A&P more efficient?

Sometimes the problem is that others define us and it sounds to me as though one of the major problems is how we actually are envisioning and defining ourselves and communicating that to those around us.

Jennifer: Absolutely. I think we need to frame what we do in terms of the end goals. The end goal is about guiding specific, strategic and practical decision making. So, I've started carving things up into a simple framework of three basic categories that all work should fall into. And then, thereafter, you can put it into methods.

Can you tell us briefly about those categories?

Jennifer: Sure. It is really simple. It is not rocket science. My first bucket is that we want to create "advantage offerings" because I am trying to be holistic and not just focusing on one industry. Any business or service or product offering. In other words, doing the type of work, insight analytics, etc. that helps us create a pipeline of highly desirable goods and services. So, this one is probably the most obvious category of what's included, but it's any of the tools and techniques that we might use to identify unmet needs and then identify how to satisfy those needs, effectively position those new products or brands, etc. And so on through the cascade of actions that you actually go through until you have this brought to market.

The next big bucket of business objectives that I would love to see us start framing our work in is managing our brand assets efficiently and effectively. That's things like any of the analytics work that you might do to improve ROI or how you grow brand equity, the tools that we use to help us understand how we can implement effective tactics or tactical innovation, etc.

And then the last bucket, if you are lucky enough, is portfolio management. So, here we might be talking about a company's existing portfolio. When we used to do things like use database and insight tools to prioritize our existing assets. Or optimize investment across the whole portfolio. Or we might be talking about identifying areas of extension for existing brands and businesses. Or even on the business development licensing acquisition side of things, actually vet the potential value of acquiring certain assets. Once you frame things up in terms of business objectives and then the sub-categories of objectives of a specific business situation you are in, then you can talk about tools and techniques and what you are going to do to solve that objective.

It sounds pretty straight forward. I think that sometimes we over complicate things. If you have a foundation and you are working in the right direction, as you've laid out, you will eventually get to the point where you can start recreating that taxonomy or that nomenclature and redefining yourself. But it starts way at the other end.

Jennifer: That's right. Any given marketing insight or analytic tool is a means to these business ends. It's not an end in and of itself. It is maybe the narcissism of marketing researchers that we are obsessed with our own tools and techniques so much so that we think it is relevant beyond our four walls. But, I would say ultimately when you are hungry, you want to eat. I don't need to know every step that you went through to get the food to the table.

We talked a little bit about people who are a little more veteran or seasoned in the industry moving to an organizational or management role, like you. That gives you an opportunity, as you are doing in practice, to recreate how insights work, how we define ourselves and how that impacts everything around the organization—the organization in this case being J&J Consumer Health.

So, we have this new generation of researchers. Some of them are coming from non-traditional or unconventional places. Any thoughts on how we, as an industry, can help raise this new generation so that they will be better suited to adapt to the changes that are taking place now and certainly are on the horizon? And better suited to deliver at a much more effective, activated level, if you will.

Jennifer: It sets a challenge. You know, the time span with which you're likely to have an employee is getting shorter and shorter. So, it's tough. But, I think that there are a few things that we can do to effectively raise a new generation of great researchers. And the first is to simply broaden the pool of where the researchers are coming from. We need more holistically-trained business insight research and analytics. We can't convert research results into meaningful guidance for business action if you don't know about the business your research is about. You end up simply reporting data, reporting numbers, but no actual action or implications come of that. So, included in that is actually a wish on my part for more MBA programs that have insights and analytics tracks so that future researchers can get the confidence and business knowledge foundation of an MBA, but with some specific understanding of the epistemological principles of the function.

In general, we really need to evolve the skill set that it requires to be at least a corporate-side researcher. Specifically, I think we need to teach researchers to have foresight.

Frankly, this is going to sound like a non sequitur, but it ties: I'm really tired of sales pitches that denigrate various types of research for being rearview mirror research. It's a nice hook, a nice sales hook on the front end, but what typically follows is actually an offering that's potentially just as rearview research as anything else.

The problem isn't the research methods. It's our own ability to do anything with the results. We need to train researchers on really how to take research and analytics about current or just past behavior or beliefs of consumers and project it into relevance and actual specific business action. I would love to take somebody who has a great operations background, teach them a little bit about the tools and techniques of better specific-to-marketing research and let them run. If they are a leader, they can drive this type of work to action far more effectively than somebody who knows a ton about statistics or other specific areas of analytics. Unfortunately, I think it is lacking in our industry right now, focusing on things through that lens.

Any final advice for someone who might be looking to effect change—on the client side—in an organization that perhaps isn't necessarily charged or mandated as you might be at this point with a reinvention process, but really does want to make some changes? Any advice for those people on how to get started?

Jennifer: The first answer is to focus on the skill set of communication and influence. How do you drive things to action? You can't be sitting on the sidelines anymore. Andre Maurois said: "Business is a combination of war and sport." Marketing researchers for too long have just been the sort of play-by-play caller, observing and reporting, but not actually getting in there and making action happen. The skill set to *do* is what we really need going forward and, I think, is where I would push everyone to focus on.

I'm pulling from that a degree of recalibrating researchers' natural risk threshold, comfort levels, to put some skin in the game like marketers do. Am I in the right direction there?

Jennifer: Absolutely. I don't know if this is absolutely true, but my understanding is that finance as a function was an invention post-World War II when some smart folks realized that accounting could be leveraged for strategic advantage. Pretty much, we need a renaissance in marketing research of a similar nature. I don't know what the name of the future function would be, if finance was born out of strategic accounting, but that's what we need to do. And every marketing researcher needs to really take true ownership of the P&Ls of the business that they work on and, like you said, put some skin in the game.

Editor's note: Jennifer Nelson will be speaking at The Market Research Event 2011 in a session titled "Instigating Marketing Transformation Through Marketing Research Innovation."

For information or to register for The Market Research Event 2011, taking place November 7-9 in Orlando, Florida, please visit TheMarketResearchEvent.com.