

HOW TO MAKE RESEARCH MORE ACTIONABLE

Addressing the Number One Challenge for Today's Researchers

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Abstract

Lack of actionability has been and continues to be arguably the most important problem facing market research. Improvements made in methodology have not necessarily resulted in greater actionability. This paper presents a model of the process of moving from research to action and describes what researchers can do at each step of the process to increase the actionability and value of their research.

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The Actionability Challenge

In the early 1980's, senior marketing researchers from major corporations began to agonize in private and then more publicly about the increasing irrelevance of market research in their corporations. Senior people from major corporations, the kind who spoke regularly at conferences and were considered gurus of research, were worried about their careers and the futures of their firms. Typical comments were: "I see other firms laying off their marketing research staffs, and I worry that it will happen to my staff." "I know that I'm not serving on the most senior management teams, even though I represent the voice of the customer." "More and more, the officers of my firm turn to research only as an afterthought. Too often, they have made major new market and product decisions before consulting me, when I could have saved them so much in time and wasted effort." "I don't get it. What's going wrong? How can I make my research so relevant that they won't dare make a move without it?"

In 1995, the American Marketing Association and the Advertising Research Foundation conducted their second biannual survey of market researchers asking what they see as the major issues and challenges confronting the industry. In past years the main issues were data quality and the dropping survey response rates. This time, the main concern was the low impact of market research: The same issue raised over ten years earlier had become the industry's number one concern.

The Marketing Science Institute's 1996 and 1998 *Research Priorities*, a biannual publication listing the main concerns of leading-edge marketers, focused on the need to understand why market research has such limited impact. The *Priorities* also identified a number of related issues, including why decision makers don't use information to make better decisions and what researchers can do to cut through the information overload to add value for the decision makers.

The issue of market research's perceived declining influence and its inability to affect and guide wise decisions remains one of the most important for researchers today. If anything, this lack of actionability is more important today than it was ten years ago. Every client or user of research stresses the need for actionable research. Every researcher promises actionability and works hard to deliver. What is getting in the way? We realized that we certainly did not have all the answers despite our many years as senior market researchers, so we naturally decided to do research to look for insights.

A Qualitative Search for Answers

We explored this issue using primarily a series of in depth interviews with a convenience sample of 53 market researchers and managers we admired from 22 companies. We asked participants to talk about their most successful experience in moving from research (or plans) to action and then about their least successful experience. We probed for detail about what prompted the research, how the research was designed, conducted, analyzed and reported, how the organization developed its plans after the research, who was involved in making change happen (or not happen), and how changes were monitored. Each interview ended by asking what they perceived as the main barriers when action had not occurred and what they saw as the key reasons they were successful when action did occur. Our goal was to identify the main barriers to action and ways of overcoming those barriers.

In drawing the convenience sample, we started by identifying organizations we admired, including many firms that had won the Malcolm Baldrige National Quality Award for their superior management systems. We talked to people in market research and to senior officers (including CEO's) representing such organizations as: Amoco, AtlantiCare Medical Center, AT&T's American Transtech, AT&T's Business Communications Services, AT&T Universal Care, BankBoston, Chase Manhattan, Fidelity, John Hancock, IntraCorp, Marriott, The Metrus Group, Milliken, J P Morgan, NYNEX, PNC Bank, Royal Canadian Bank, US West, and Xerox.

In one organization, we were able to interview the heads and consultants of 14 business units, which gave us great depth of experience within a single culture. In this

case, we focused on why some business units were successful in acting on their plans for improvement while other units were not.

We also turned to marketing, quality and change management publications for insights. The Malcolm Baldrige National Quality Award *Criteria for Performance Excellence* (1998) was helpful in developing the list of interview questions and in creating the process model around which this paper is organized. The change management literature also was helpful (Byham, 1988: Hutton, 1994: and Kauppinen and Ogg, 1994). And marketing sources – especially those on internal marketing (Zeithaml, Parasuraman and Berry, [1990], Berry [1995]) – offered insights that blended well with the quality and change management points of view.

While our approach was not quantifiable as a survey would have been, it seemed appropriate for our two goals: (1) offer a structure for thinking about how research is connected to action and (2) offer constructive suggestions for overcoming the many barriers to action. Much of what we have found is not necessarily new, although it is certainly worth repeating. And, we did find a number of creative ideas that we hope the readers will find as valuable as we did.

The Process from Research to Action

We developed a fairly straightforward process flow of the steps from research to action (see Figure 1) to help organize our findings. We selected it because it provided a home for all the main issues uncovered by our interviews and because it is compatible with the marketing, quality and change literatures.

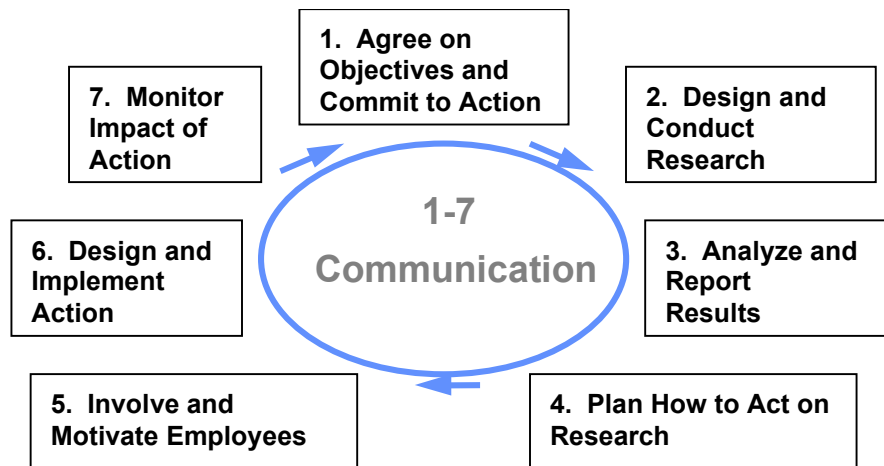


Figure 1 - The Process from Research to Action

The process begins when the organization establishes the objectives of its research and commits to action (Step 1). Then the researchers take over in Steps 2 and 3 as they design, conduct, analyze and report the research. Once the research is done, the organization plans how it will act on the research (Step 4). A major part of this plan is the need to involve and motivate employees so they will follow through on the plans (Step 5). Then, the organization actually designs and implements the changes or plans (Step 6) and monitors the impact of the changes (Step 7). Throughout the entire process, communication plays a vital role: without communication at each step, the organization is unlikely to successfully implement change.

The rest of the report covers our main findings – moving through the seven steps of the process and ending with communication. The paper uses the words “organization” and “firm”, although the conclusions fit just as well for business units or non-profit organizations.

**How to Increase the Odds of Moving from Research to Action:
See the Whole Process – Not Just the Research Steps**

Our main conclusion is that wonderful research often sits on the shelf because most researchers and managers see only their part of the process and are unable to move their organization through the entire process. We realize that researchers are not seeing the whole picture when we hear them say things like, “Another year, another huge survey that will sit on the shelf. People are always very polite, but I can’t help feeling that I’m wasting my time and my company’s money. What’s the point if management does nothing to act on the research? I did a great analysis, reduced it to a tight executive summary, have mounds of detail for people who may want it, and yet no one seems to care.” Figure 2 shows how the research to action process looks to these researchers. They expect to do their research (Steps 2 and 3) and then have their organizations move directly to implementing change (Step 6). When this doesn’t happen, they feel frustrated and unhappy.

1. Agree on Objectives and Commit to Action

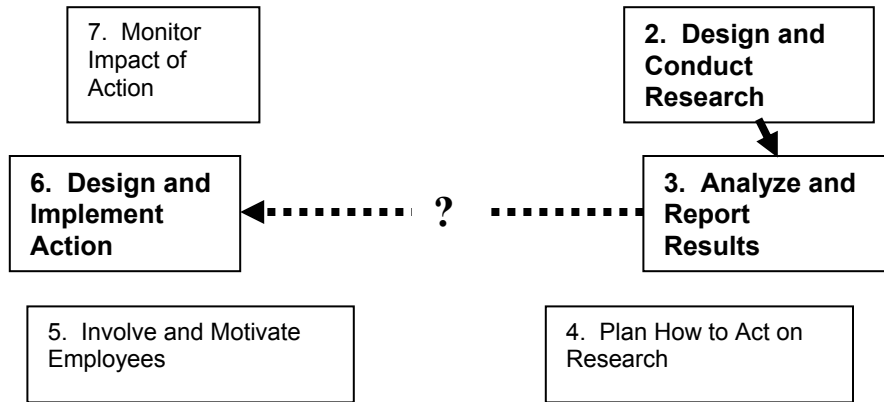


Figure 2 - A Frustrated Researcher's View

When organizations are able to successfully act on their research without explicitly going through the entire process, we believe it happens serendipitously because the steps are already addressed in the organization's culture or structure. A typical successful case is when the research is commissioned by someone in marketing to answer a very specific question (Will package A or B appeal more to customers?) with very clearly defined decision criteria (If package A is significantly preferred over package B, we will go with package A). In these cases, the market researchers and the decision makers are speaking the same language. Everyone understands the Step 1 objectives (such as to maximize revenues or demand) without a great deal of discussion. The decision maker has the authority to make the decision within her or his own department, the Step 4 plan is as simple as picking the best package, and the employees involved do not need any new Step 5 incentives or motivations because they are already motivated by the unspoken commitment to maximize revenues. Communication is natural and rapid because the people who are involved -- from the decision maker to the researchers to the people who will implement the plans -- already speak the same language and accept similar values and beliefs. In other words, the organization actually does move through all the steps of the process, but it happens so automatically and naturally that people are not aware of it.

Figure 3 shows the process from the point of view of a typical frustrated manager. One CEO spoke for many when he said. "I am committed to doing what's right for my customers. So, I commissioned a huge satisfaction study, spent a lot of money on it, and

told everyone how important satisfaction is to our success. Then, I listened to the research and made it clear to everyone that things had to change, that we had to get better at meeting customers' needs. Now, it's been almost a year and nothing has happened. I've done everything I know to show I'm serious, but I can't honestly say I expect to see a rise in satisfaction next year. I must admit I'm unhappy and wondering if we really got the best research possible."

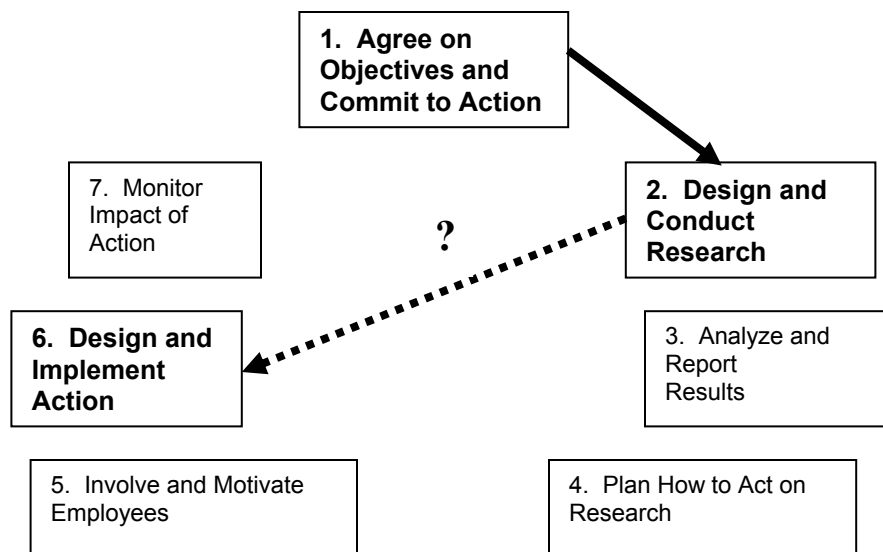


Figure 3 - A Frustrated Manager's View

Many managers, like the CEO above, expect to move directly from Step 1 to Step 2 to Step 6. They, like many researchers, are unaware of the other important steps in the process. Some blame the research and researchers. Others blame the middle managers, whom they see as road blocks. "I've made it clear what I want, but they just don't seem to be able to change the way they do things."

In most cases where decision makers are successful in creating action, they are intuitively aware of the vital role they play at each step of the process. One CEO of a healthcare organization describes his role this way. "I show my commitment to the patient by talking directly to them in luncheons and as I walk around. I use a variety of methods to listen to the patients. I incorporate the patient voice directly from our surveys into our annual planning process, along with our quality, strategic, and employee issues so that we allocate our resources to reflect the key issues for our business. I work hard to

build enthusiasm for the improvement plans, recognizing our heroes, attending staff meetings, having admired people serve on improvement teams, and personally responding to some complaints. I serve as the champion for the patient service team and support their recommendations. I see this as my job as a leader.” Notice that his description covers most of the steps in the process, with special emphasis on communication.

Market researchers can increase the likelihood of action if they understand the entire process and recognize where and why the action may be stalling. Researchers can ask themselves for instance: Are all the key decision makers in the organization committed to the same objectives (Step 1)? Does the organization have a specific plan, complete with measurable goals, based on the research (Step 4)? Are the goals and incentives of the organization aligned behind the action the firm wishes to take (Step 5)? Are the employees aware of what the organization is trying to accomplish and why (Communication)? Has the organization provided the right people and resources to design and implement actions (Step 6)? Are improvements likely to be sustained through continued monitoring (Step 7)?

Once researchers have identified possible barriers to action, they can work with others in the organization to overcome them. A Marketing Science Institute conference on Interfunctional Interfaces (MSI, 1997) pointed out the need for marketers to break down silos and work with other functions to make their organizations stronger competitors. While business schools have been slow to teach this, marketers are discovering on their own that they are more effective if they take a larger view of the firm’s needs -- looking beyond the limited boundaries of marketing. Probably the best way for market researchers to help their firms take action is to define their roles more broadly than just supplying information. Researchers also need to help their firms use the information.

**How to Increase the Odds of Moving from Research to Action:
Insist on Clear Objectives and Commitment to Action (Step 1)**

Clearly defined objectives and a commitment to action are the foundation for achieving action. From a researcher’s point of view, this may be the most important step

to get right. Many researchers say they have learned to refuse to do the research until they have done the following two things:

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| <ol style="list-style-type: none">1. Verify the research objectives with all key decision makers2. Verify the commitment to action before doing the research |
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Two Ways to Overcome Unclear Objectives or Lack of Commitment

1. Verify the Research Objectives with All Key Decision Makers

Researchers told us that they were uniformly unhappy with their research if they could not get a clear statement of the firm's objectives and how the research would aid those objectives. "You know you're in trouble if you can't figure out why they're doing the research and how the answers will help them achieve their objectives or commitments. When I see that happening, I've learned to dig in and refuse to do the research until we have agreed in advance on how the research will be used and why." In other words, a two-way communication between decision makers and researchers is important during this step to ensure the research will provide the kind of information the organization needs.

- Push the Decision Maker to Define Objectives Specifically

In another case, the decision maker had not really pushed herself to define the objectives specifically. She simply said she wanted her business to keep growing. When the research director pushed her for more specific objectives, the decision maker said she wanted to learn which of five new product options would have the most appeal to her current customers and what her biggest competitors were currently charging for those products. Since she was able to define her decision needs clearly, the research was able to provide her information she could act on.

- Talk to the Most Senior Decision Maker

Researchers report getting incomplete and even incorrect answers if the person who commissions the study is not the ultimate decision maker. In one case, the commissioning agent (a mid-level manager) said the research was being done to learn about the market. In reality, the senior decision makers wanted to know whether version A or B would gain a bigger share of the market. The research did a great job of exploring

the boundaries of the market, defining customer segments and their needs, and identifying likely competitors. But, the senior decision makers found the research largely irrelevant because it did not tell them whether to go with version A or B.

While senior decision makers may say they are too busy to talk or insist on delegating the task to someone junior, researchers who have stood firm and insisted on talking to the senior person report the effort is worth it. “First, I asked to meet the (CEO) to discuss the firm’s mission and strategy and how the research would help him make better decisions. When that wasn’t an option, I wrote up a one page description of the situation and the research objectives and asked to have the CEO approve it before I designed the research. When he didn’t have time to look at it, I said I couldn’t waste the firm’s resources by starting without clear goals. *Then* I got his attention. We met, and believe me, the CEO’s needs were quite different from what I had been told. I was really glad I had insisted. If I’d waited until the research was done, I’d never have gotten his attention, and the research would have been largely irrelevant.”

- Look for Decision Makers’ Underlying Motivations

It is helpful to study decision makers’ underlying incentives or motivations. If managers are rewarded for increasing customer retention, then linking the research to that goal can increase the odds of acting on the research

- When There Are Multiple Decision Makers, Verify Their Objectives Are the Same

One researcher reported that she conducted one-on-one interviews with all key decision makers and found they had different incentives and objectives. She then held a meeting where she reported her findings and had the decision makers agree on the objectives of the research. They thanked her for helping them understand their differences.

2. Verify the Commitment to Action Before Doing the Research

- Identify the Champion for Action

Find a senior manager who is willing to be the champion for the research and action. This person agrees to be personally accountable for the success of the project and to monitor progress regularly. The champion also agrees to be the chief communicator and to supply resources as needed.

- Test Hypothetical Data in Advance to Develop Decision Rules

One bank does this in four steps. First, the research group writes up the research objectives and asks the decision makers to approve them. Second, the research group designs the questionnaire and sample plan and reviews them against the research objectives with the decision makers. Third, the research group creates hypothetical data tables and leads the managers in a discussion of what decision criteria they will use to determine what actions to take. If the managers would act the same regardless of whether a score is high or low, the questionnaire is changed or stricter decision rules are identified. If managers find that crucial data are missing, the questionnaire or sample is augmented. Finally, the decision makers agree on their decision criteria.

Gerald Zaltman and others (Zaltman, LeMasters and Heffring, 1982) have recommended this for many years, but not all researchers are comfortable taking the extra time needed to test for actionability and develop decision criteria in advance. In cases where the extra effort is made, the research is almost always acted upon. “I’ve done studies with the hypothetical data and predetermined decision criteria. And I’ve done studies without them. All I know is that I’m never sorry when I take the time to do this, and I’m often sorry when I don’t,” says one senior researcher.

- Walk Decision Makers Through the Research to Action Process

One researcher suggested showing the decision makers the research to action process and securing buy-in to the entire process. “Do not conduct the research before you have this commitment to action. We researchers never have as much leverage as before the research is done, so up front is the best time to get managers to commit to action. It takes guts to do this, but what is the point of wasting our time and money on research that will never be used?”

How to Increase the Odds of Moving from Research to Action: Design Research with Action in Mind (Step 2)

The most commonly mentioned barrier to action during the Step 2 is that the research is not designed for action.. How many times have researchers heard their clients say, “Now, I want this research to be actionable”? And, how many times have researchers replied, “Of course, I’ll make it actionable”? No client ever said, “I don’t

really care if this is actionable. I'm just looking for nice to know information." So, why does actionable design continue to be an issue if it's what we're aiming for? Clearly, we researchers are not as good at it as we hope.

We encountered four approaches that increased the actionability of research.

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| <ol style="list-style-type: none">1. Ask specific questions2. Combine qualitative and quantitative methods3. Put results in perspective with benchmarks4. Link research to the bottom line |
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Four Ways to Overcome Lack of Actionability in Research Design

1. Ask Specific Questions – Preferably Clearly Related to Internal Groups

Specific questions are more actionable than general ones. Firms find it easier to act on specific attributes such as “knows what equipment I have” or “knows how I am incented” than on general ones such as “understands me and my business”.

Decision makers say they find it easier to act if the questions are related directly to certain functions. For instance, if a questionnaire asked, “Does our organization contact you often enough?”, managers would find it difficult to know what to do if the organization got low marks. However, if the questionnaire asked about the number of contacts with separate functions -- such as the senior executives, the service department, and the sales department -- the firm would know exactly which of these functions needed to improve.

In cases where it is important to minimize questionnaire length to hold down costs and burdens on respondents, what should firms do? We recommend trying the next solution.

2. Combine Qualitative and Quantitative Research

It is traditional for firms to conduct qualitative research to understand the customers' issues before doing surveys to quantify the results. But firms now recommend turning back to qualitative research *after* surveys to add insight to the rather general survey conclusions.

For example, a high technology firm knew from its surveys that its customers strongly felt it needed to do a better job of responding to their phone calls, but it didn't know what customers didn't like. It held follow up one-on-ones with those customers who had given poor ratings to its phone service, asking what they didn't like and what it would take to for the company to improve its ratings. Customers talked about how firms in other industries were now handling phone calls and explained in detail how the company was falling short (not open enough hours, not enough specialists for some types of systems or software, and a menu system whose choices they found bizarre). The firm was able to decide how much to commit to improving its phone service (based on the survey) and to determine exactly which aspects of phone service needed to be improved (based on the one-on-ones).

The survey alone was unable to tell the firm what specifically needed to be changed. The one-on-ones alone would not have convinced management of the urgency of the problem. Using both research methods, the firm was able to respond quickly and effectively.

3. Put Results in Perspective with Benchmarks or Competitive Comparisons

If firms are not taking action because they are feeling complacent or are uncertain whether action is really needed, researchers may spur managers to action by including benchmark or competitive questions in their research. One telecommunications firm, for instance, used an A, B, C ... scale for its customer satisfaction ratings. It averaged around a B or B-, and managers did not feel a sense of urgency to improve. "The truth is, most of us were B students, and we think a B is a pretty good score." As a result, the research was treated like a report card of a B student -- one that required no particular action. When the firm studied its competition, however, it learned that one competitor's score was rising and was up to A-. This competitive comparison finally prompted action.

Bradley Gale's *Managing Customer Value* (1994) makes a persuasive case for comparative research.

4. Link Research to the Bottom Line

Probably the most effective way to make research actionable is to tie the information to the bottom line for the decision makers. One manager said, "Why can't they just tell me what I have to do to increase revenues or profits? Most researchers I've

met stop after they report what I can read from the data tables. I want them to tell me the implications of those results for my profit and loss sheet.”

In many organizations, company objectives are stated in financial terms, such as meeting budget targets or achieving certain levels of profitability or return on investment. The finance and accounting departments traditionally provide a wealth of data on costs, which encourages managers to focus on ways to cut costs. But, as Gertz and Baptista say in *Grow to Be Great* (1995), “No company ever shrank to greatness.” Market research is -- or should be -- the main source of guidance on how to grow the business, expanding sales and repeat business to grow revenues. According to one manager, “Many decisions are based on financial data, which are historical, often misleading about the future, and usually seem to encourage managers to tighten their budgets. Business needs to make more decisions based on market data that look into the future and tell me how to grow to success. It is important for researchers to understand and speak the financial language so they can represent the power of investing in things that will attract and retain customers.”

When researchers are able to connect customer or employee attitudes to the bottom line, they are speaking the decision makers’ language. Raj Srivastava of the University of Texas at Austin has probably pushed this concept as far as anyone in marketing and has shown the importance of marketers learning to speak in financial terms (Srivastava, 1997). He points out that making this connection to the financial interests of the firm permits decision makers to evaluate the information from marketing and research along side the other operating or financial information they use in making investment decisions.

One bank researcher was able to tie the profitability of its branches to both employee and customer satisfaction, finding that the branches with the highest employee and customer satisfaction were also the most profitable. When he was able to prove this to top management, management was prompt to act on that information. “We open each senior level meeting with a review of our customer information and discussion of what we are doing to strengthen our weaker, less profitable branches or grow our stronger branches. People know their numbers and do not hesitate to invest in activities that they know will increase our revenues.” What created this bias for action? The researcher

believes it happened when he was able to show the profit consequences of customer and employee satisfaction. “Once they saw the revenue that was at risk if we didn’t improve, management was entirely focused on taking action.”

Roland Rust of Vanderbilt and his colleagues have found ways to calculate return on quality (Rust, Zahorik and Keiningham, 1994). They show that not all improvements will produce a positive return although many other improvements are excellent investments. Similarly, Frederick Reichheld has been able to project the impressive financial implications of customer loyalty (Reichheld, 1996).

Although some assumptions are necessary to build the “what if” scenarios, it is possible to move from survey data to projections of the revenue gains that will result from pleasing customers (from higher retention and referral rates or improved products) and the opportunity costs of displeasing customers (from negative word of mouth and even from law suits). It is also possible to do similar projections for employee data, showing what dissatisfaction costs (in higher absenteeism and turnover costs) as well as what satisfaction can save (in recruiting referrals and training).

How to Increase the Odds of Moving from Research to Action: Avoid Overwhelming Managers with Information (Step 3)

Step 3 (Analyzing and Reporting Research) is separated from Step 2 (Designing and Conducting Research) because analysis and reporting play such an important role in action.

The main barrier to action in Step 3 is that many decision makers feel overwhelmed by the research report. Decision makers who feel overwhelmed may reject the information, become impatient, lose interest or fail to understand the research. How many researchers have heard their managers say things like, “I simply don’t believe that,” “So, what are you telling me”, “Could you explain that again”, or “Thanks. I’ll need to take some time to study all this data.” What is really being said is that the managers are overwhelmed and are not willing or able to act confidently based on the research.

We encountered three excellent approaches to avoid overwhelming the decision makers with research.

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| 1. | Cut to the chase when reporting |
| 2. | Tell painful news so it can be heard |
| 3. | Tailor reports to the audience |

Three Ways to Avoid Overwhelming Decision Makers

1. Cut to the Chase when Reporting

Decisions makers want reports short, simple, and focused on the decisions at hand. One CEO told the researcher at the beginning of a reporting session scheduled for three hours, “I want you to cut to the chase. I can’t give you more than an hour and a half. Just tell me what I need to know, not what’s nice to know.”

One researcher recommended organizing the report around the managers’ decision criteria or key questions. “If my managers need to know which is the most profitable customer segment and what level of service they would need to switch to us from a competitor, I organize my report around those two questions,” she explains.

Another researcher described the typical set of binders of output as “shelf research” that goes directly from presentation to the shelf never to be acted on. She made a commitment to avoid shelf research and tried to limit her presentations to no more than 15 overheads and her reports to management to no more than 15 pages. She actually created dozens of tables and outlined reports that could have gone to scores of pages. Then, she asked herself what she could cut and still answer the decision maker’s main questions. And from there, she prepared the final report and presentation materials.

It is easy to provide detail when and if the decision maker has questions or action teams need it to make their plans. Firms we interviewed find that the detail is not needed until the decision maker or action team is actively involved in the specifics of action and needs more information about demographic or other differences.

Key driver analysis, quadrant charts, logit or choice models and other sophisticated methods are now widely used to help researchers cut to the chase. They allow researchers to combine two or more attributes to reach a conclusion about what is most important or effective to do. While decision makers are not experts in these methods, they appreciate it when researchers use them to give cut-to-the-chase answers.

2. Tell Painful News So It Can Be Heard

Many times research reveals news that is painful for managers. In one manufacturing firm, managers operated their sales department under the assumption that CFO’s were the key purchasing decision makers. When the research revealed this was not the case, the sales managers felt the research was saying they were incompetent. So, the sales managers loudly rejected the research as flawed. They attacked the research methodology. They insisted the research be repeated until the researchers got it right.

In another firm, declining customer satisfaction ratings were so painful to senior managers -- who had tried hard to build a world class organization -- that they reacted almost as if they were receiving a death sentence when they saw their research. Elisabeth Kubler-Ross’s classic book, *On Death and Dying* (1969), describes stages that closely match many managers’ reactions to their research. Managers may go through denial (“This can’t be right. The research must be wrong.”), then through anger (“How can they say this about us? They are unreasonable. We’ll drop them.”), into bargaining (“If we make a couple of small changes, that will turn things around. We don’t need to do

much.”), followed by disorganization (“Nothing is going to get better. We can’t fix something that’s been wrong so long.”), and finally to acceptance and action (“Okay. We have a problem, and this is how we’re going to fix it.”)

When research gives painful or unexpected information, it is important to deliver the information so that the managers *can* hear it and act. There are several ways to do this.

- Give early warning of the results at brief “heads up” meetings with key decision makers to forewarn them.
- Ask supportive managers how they recommend telling the news.
- Present a balance of information if possible, showing the positive as well as the negative results.
- Emphasize what the research says the firm can do to improve the situation rather than dwelling on the negative situation. For instance, rather than talking about the firm’s weaknesses, talk about the things the firm can do that will build its appeal.
- Warn the audience about the stages of grieving that they may go through and how to recognize the symptoms if they go into denial. Then suggest that the decision makers talk about their reactions as well as the results.
- Schedule one meeting to present the results and another meeting (after the emotions have settled) to discuss implications and plans for action.

3. Tailor Reports to the Audience

Many people talked about the importance of tailoring information to the audience. For instance, front line employees may not be able to absorb the same type of report that is appropriate for senior managers. One bank researcher talked about using cartoons to make the research memorable to the front line, while data charts were comfortable for the numbers-loving senior officers.

If data are available for different functions or regions, separate reports for separate functions may be appropriate. One researcher talked about customizing reports for the many global regions of his company -- showing each region its scores and the total scores but not the scores for other regions. Senior managers saw the overall picture,

with regional scores highlighted only when there were significant differences that produced different conclusions. Preparing these different reports was more work for the research department, but it meant that each audience was seeing only the information it needed to make good decisions. It avoided the information overload typical of large-scale studies.

In one hospital, the management team saw the overall ratings and the financial implications of satisfying or dissatisfying patients. Then nursing, ER, admitting, X-ray and other functions received their own written report with their own data and a personal presentation focusing on that department's strengths and improvement priorities. The hospital researcher felt that the extra time needed to prepare these many reports was worth it because the departments were able to act on their own data.

**How to Increase the Odds of Moving from Research to Action:
Help Create Effective Plans (Step 4)**

Once the information has been reported to the decision makers, a plan of action is needed (Step 4). The main barrier for Step 4 is that a surprising number of firms do not know how to create an effective plan.

We identified three main ways to overcome this barrier to action.

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| <ol style="list-style-type: none">1. Create action-oriented, specific plans2. Close the loop with customers or other stakeholders3. Match research and decision timing |
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Three Ways to Create Effective Plans

1. Create Action-Oriented, Specific Plans

The ideal plan does not necessarily state exactly what actions will be implemented (for instance, *how* a firm will enter a new market or do a better job of handling customer complaints). It *does* state what the organization plans to accomplish in specific and measurable terms (for instance, earn a 20% share of market in the teenage market within five years). Ideally, the plan then assigns responsibility and authority for action, explicitly assigns resources, and agrees on how to measure and monitor progress.

Skipping a formal planning step and failing to develop specific and measurable plans -- which a surprising number of organizations do -- often ends in good intentions rather than action. A firm is much more likely to grow market share if its plan says, "We will grow our share to 20% of the teenage market within five years by doing X, Y and Z," than if it says, "We aim to grow substantially," or if it does not write down its plans.

Since many organizations are not skilled at planning, researchers are beginning to guide decision makers through the planning process. For example, market researchers who are trained facilitators can use this skill to help managers reach agreement on what they want to do based on the research results. "I had to learn a lot about strategic planning by reading and attending conferences. But it paid off because I can really help my managers build plans based on the research," explains one senior researcher.

One researcher routinely schedules a strategic planning session within a week of the research presentation. The researcher facilitates the managers in a discussion that covers: the key implications of the research, whether action is needed and -- if needed -- what are the priorities, what are the measurable desired outcomes, and what resources and follow up will be provided. She has found that managers are grateful for her ability to help them agree quickly and keep the process moving.

2. Close the Loop with Customers

One of the best ways to motivate a firm to act and to build strong relationships with customers at the same time is to involve customers in planning the changes that will affect them.

The high technology firm that combined a survey and one-on-ones to improve its phone service knew it needed to alter its phone menu choices, because customers said that they could not find the information they wanted and went into endless phone loops. Since the root cause of the problem appeared to be menu language that was in internal-speak and not customer-speak, the firm felt employees might not be able to revise the menu to fix the problem. So, it recruited customers to help in redesigning the phone menu. Several of the resulting menu changes were ones that the company would never have thought of on its own but that were obvious to customers. As the head of the phone center said, "If we had done this ourselves, we'd have missed the best design and probably have made some things worse. By involving our customers, we got it right the first time and built up a lot of extra goodwill with those customers."

Why would customers give their time and effort to help their supplier get better? In many business-to-business situations and even in some consumer businesses, the customer very much wants the supplier to be successful. The customer may want to avoid the high switching costs of finding another supplier. There may be pleasant personal relationships that the customer values. The customer may find it is burdensome to have to supervise lots of suppliers and prefer to stick with just a few who have proven they care about the customer. One customer put it this way, "I've invested in my supplier. I want them to succeed. If I can help them make improvements without going through the horrible shake down periods that so many companies go through when they try to make changes, it's in my best interest to do so."

An added advantage to closing the loop with customers is that it provides an extra sense of urgency to act. After conducting research and involving some select customers in implementing improvements, an insurance company closed the loop with all its customers by preparing a short letter from the president thanking those who had participated in the research and resulting changes. The letter highlighted the firm's strengths and what it was doing to improve in weaker areas. It told the customers to expect to see improvements and asked for their feedback -- positive or negative -- on the changes. The result was that their customers immediately were aware of the changes (which in other circumstances would have taken them months or years to notice), and satisfaction scores jumped up much faster than they would have without the letter. The chief quality officer said, "Our customer satisfaction scores jumped up the first quarter after we sent our that letter. In the past, we'd had to wait a year or more for our improvements to be reflected in satisfaction score increases."

These examples of closing the loop focus on customers, but the same ideas apply for other stakeholders. Employees typically are pleased to be involved in planning improvements that will affect them.

3. Match Research and Decision Timing

Timing research so that results are available for regularly-scheduled planning meetings may seem obvious, but it is often overlooked. If the research deals with strategic decisions, such as what markets to go into or where to invest company resources, the firms are more likely to act on the research if it is ready in time for annual strategic planning than if it is done off-cycle.

One Baldrige winning firm does this each year. Each business unit head receives the needed market and customer research about three months in advance of the strategic planning cycle. The unit head is responsible for presenting the implications of the research to the senior management team and for explicitly linking budget requests to the research. The first year this approach was used, the CEO sent many business unit heads back to their drawing boards because they had not linked their proposed plans and budgets to the customer information. This was not necessary in later years. The unit heads now rely so heavily on their customer research that they wouldn't begin their planning without it.

A national retailer talks about the value of just-in-time research. The firm has found ways to go from research design to final decisions within six weeks in order to be sure decision makers have the information they need when they need it.

**How to Increase the Odds of Moving from Research to Action:
Focus on Aligning Plans and Incentives (Step 5)**

Even the best plans are unlikely to be implemented unless the employees involved are motivated to act. If the new plans represent a change from the way people have always done their jobs, motivating employees can be especially crucial. For instance, it is fairly common for firms to plan to supplement their financial goals (such as meeting budget) with customer-oriented goals (such as satisfying customers) after conducting customer research. But, if the firm's employees continue to be reviewed and rewarded for meeting budget but not for satisfying customers, they will not put much effort into satisfying customers.

The main way to overcome the motivational barrier to action is to focus on aligning plans with employee incentives.

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| 1. Align employee incentives |
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One Way to Motivate Employees to Implement Plans

1. Align Employee Incentives

Because actions speak louder than words, successful firms are using their incentive and development systems to encourage employees to act. Typical tools used for this purpose include: new job descriptions, performance reviews that address all key objectives or plans, training and development, and of course rewards and recognition for the new desired behaviors. A commonly used word when discussing employee incentives is "alignment." Experts say it is important for the incentives of various levels or functions in an organization to be aligned: If one employee group is working for a certain goal, then other groups should have goals that are aligned.

Consider the experience of one bank that wanted to know why its branches were not improving customer satisfaction even though the branch employees could get bonuses for doing so. Employee focus groups found that the branch incentives were not in alignment with the incentives of their regional managers. Regional managers were rewarded for meeting cost-cutting goals, so they told branches to reduce staffing to meet

budget targets, which resulted in longer lines at the tellers and lower customer satisfaction. If the bank had not uncovered and corrected the conflicting incentives, both the satisfaction efforts would likely have failed.

How to Increase the Odds of Moving from Research to Action: Support People Involved in Implementation (Step 6)

The actual design, testing and implementation of action is often left to cross-functional or work teams. There is a great deal said in the quality and change literature about using teams and quality tools to design and implement the most effective improvements (Brassard and Ritter, 1994). Firms have found that using this methodical approach to designing and implementing change greatly increases the odds of success.

However, we found that the main barrier to successful team action is that team members are not really supported in their efforts. There are at least two ways to address this barrier.

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| <ol style="list-style-type: none">1. Help team members use data2. Make team members into heroes |
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Two Ways to Support Teams to Act

1. Help Team Members Use Data

Market researchers can help teams understand what the research has to say and focus their efforts where they will be most effective. When teams analyze data to uncover root causes of problems and to assess the effectiveness of planned changes, market researchers can be very helpful in making sure the data are interpreted properly. In some companies, researchers are routinely asked to serve as advisors on measurement to all cross-functional teams working on strategic change. In one financial firm, the head of research found herself advising a majority of the improvement teams. Her role was to be sure the team understood the customer point of view, provide any needed survey data, and help the team develop ways to measure the impact of their recommended changes. She felt that serving on these teams allowed her to understand the workings of her firm and certainly helped her career. She also heard from grateful teams that they could not have been as successful without her.

2. Make Team Members into Heroes

Teams – especially those that are cross-functional – routinely bog down when team members find it too burdensome to serve on them. After the first few meetings, team members often feel pressure to do their “real work” and begin skipping meetings. One financial services firm addressed this head on by making team membership an honor and turning members into heroes. The chairman of the organization personally selected successful people to serve on the teams and then called their bosses to ask to have the employees assigned to the teams. He made sure that the employees were able to reduce their usual work load in order to have time for the team meetings. Team participation was added to their job descriptions and their performance on the team went into their personnel records. Once teams had developed promising plans, team members were put in charge of implementing them. Team membership then became a stepping stone to bigger and better careers.

**How to Increase the Odds of Moving from Research to Action:
Track the Impact of Action in Time for Key Meetings (Step 7)**

After the firm has implemented its changes, it assesses the effects of those changes (Step 7) to determine whether they have been effective and to indicate whether further improvements are needed. Have they worked as hoped? What do customers and employees think of the changes? Has the company achieved its objectives? If so, should the objectives be raised? If not, should the firm try another approach?

The most common barrier to sustained action is failing to monitor and sustain performance. So, it is important to:

1.	Track the impact of action in time for key meetings
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One Way to Sustain Action

1. Track the Impact of Action in Time for Key Meetings

Many of the people we interviewed stressed the importance of monitoring to verify that the changes are producing the desired results and to be sure that the organization has not gradually returned to its old ways.

If firms don't measure the impact of action -- and many don't -- they risk watching their hard work gradually disappear or even watching their changes make things worse. According to one manager, "Our changes went well for about six months. Then, when all our experiments were over and the roll out done, we just assumed everything would continue. What we found out was that people went back to the old way of doing things. They started returning to the old processes when they were rushed. Then they simply forgot the new processes. We're all more comfortable with the familiar. Only monitoring will keep people focused long enough for the new to become familiar and comfortable."

Ideally, the monitoring data will be available for key management meetings so that remedial action can be taken promptly.

How to Increase the Odds of Moving from Research to Action: Communicate at Every Step (Communication)

Communication plays such a vital role at every step in the process of moving from research to action that we placed it in the center of the process in Figure 1. The odds of successful action are greatly increased when there is consistent and complete communication at each step.

The main barrier to effective communication is that no one seems to be responsible for it throughout the process. Organizations regularly turn to their communications or advertising groups to prepare printed materials and videos, but these are just a small part of the communications needed. We have identified six ways firms can overcome their lack of consistent and complete communications.

1. Communicate over and over – there is no such thing as too much communication
2. Have someone “own” the communications needed to create action
3. Speak the decision maker’s language
4. Use actions as well as words to communicate
5. Use measures to communicate
6. Align the message of all communications

Six Ways to More Consistent and Complete Communications

1. Communicate Over and Over (Steps 1 – 7)

Many people said their organizations failed to implement plans because communications were too limited to be effective. “We thought we’d communicated after we wrote an article about our research findings and our plans to improve. The article was on the front page of the employee newsletter. We made a video that featured some top executives as well as some customers. But this wasn’t enough. All our hard work and enthusiasm seemed to disappear when new initiatives came along,” said one researcher.

The best example of communications we encountered was a financial services firm which determined it needed to make substantial changes in its work environment in order to retain employees. The head of Human Resources, who had commissioned the

research, explained her communications role this way. “Nothing was more important to me and my staff for that year than communicating to keep the issues alive and to make sure everyone was making the improvements they said they would. We began with some serious heads up meetings with our senior officers to go over the results. Then we had razzle dazzle presentations to all our managers followed by planning sessions. We taught them how to read their data and clarified what role each was expected to play in making improvements. We watched for opposition and called in the senior executive to deal with opposition when we found it. We set up a series of interim goals and tracked performance. We had meetings with the rank and file explaining what we were doing to improve for them. When improvements were made, we recognized people and celebrated the progress. I don’t think I did anything else that whole year, but there was nothing more important.”

Many people talked especially of the need for regular communications during Step 6 when employees are working to develop and implement changes. The goal of communication in this step is to ensure the team is on the right track, that resources needed to implement the planned actions are feasible, and that the action plans are consistent with what the firm has committed to. “I couldn’t believe it when our team finally unveiled our plan for the new car. It was perfect in meeting all the requirements we knew of. Except the senior officer said he wanted the windows two inches closer to the ground. He hadn’t told us that he had a particular look in mind. He refused to budge. It cost a whole year’s work and untold personal pain for all of us. It could have been avoided if we’d had some interim communications with the man.”

2. Have Someone “Own” the Communication Needed to Create Action (Steps 1-7)

Communication throughout the entire process of research to action usually has no “owner” or someone who is clearly responsible. In the financial services example just mentioned, the Human Resource Vice President and her staff took on that role with support from the CEO. In the hospital example covered under Step 1, the CEO played that role. Regardless of who plays the role, someone must.

While researchers do not think of communication as their role, there are many ways they can be helpful. Researchers can provide the measures to track progress toward action. They can help prepare communications materials and scripts for managers. One

bank researcher prepared training materials about the bank's new goals and employees' roles. Then he prepared scripts for all the VP's and regional managers to use in talking with their people. A utility company videotaped interviews with their chief market researcher (focused on key research results) followed by interviews with their senior managers (focused on their plans for action). These tapes were then used by local managers in leading discussions of goals and plans for action.

Probably the most important role for researchers is to ensure that someone "owns" communication and sticks to it.

3. Speak the Decision Maker's Language (Steps 1, 3 and 4)

One lodging researcher described a situation where she was effective in helping the operations department take action. In this case, the research group offices happened to be located next to the operations group, so the two groups got to know and trust each other. They learned each other's language. The researcher heard about upcoming operations decisions and explained how research could guide those decisions. When the research was done, she was able to communicate in language that was comfortable to the operations group and suggest the implications for the operations groups' plans. Since the issues and communication were already framed from the operations group point of view, there were no conflicting incentives to worry about and no difficulty communicating what would be done and why. In this case, the researcher had absorbed the operations group culture and language and was successful in providing information that led to action.

4. Use Actions as Well as Words to Communicate (Steps 1-7)

In most organizations that were successful in taking action, many forms of verbal communication (newsletters, videos, and speeches) were important in building awareness of the organizations' commitment to act. But it was actions that really convinced the employees the organization was determined. The successful organizations put their action goals and progress on every management meeting agenda. They recognized those who made progress. They held people accountable who did not make progress. They reallocated their budgets to support the needed actions. When mid-level managers began to follow the lead of the executives, the main barrier to action was overcome. "I never believe what appears only in a memo or newsletter," said one manager. "Memos come out

all the time. I wait to see what they actually talk about in meetings or reward us for or budget for. If they walk the talk, then I'm willing to make an effort.”

5. Use Measures to Communicate (Steps 1,4,5,6 and 7)

Communication is easiest when objectives, plans and incentives are translated into measurable targets. One of the best tools is a balanced scorecard of measures of success. The purpose of a balanced scorecard is to bring an organization's objectives, plans and incentives to life for all employees. Balanced scorecards communicate these goals in concrete, measurable terms that everyone can understand. Scorecard headings (or the clusters of measures) are designed to match the main elements of the organization's mission and strategy, which usually deal with customer, employee, operational, and financial areas. Then more detailed measures are developed under each heading to tell the organization whether it is making progress or not. Simply by defining objectives in measurable terms for the balanced scorecard, managers are sending a clear unambiguous message about what is important to the organization. Balanced scorecard measures are usually reported, reviewed and acted upon on a regular basis, which is ideal for sustaining motivation to act. As experts in measurement, researchers are in a great position to advise their organizations on balanced scorecards and their power to communicate and motivate.

6. Align the Message of all Communications (Steps 1-7)

Since most organizations use multiple means of communication, it is important to align the communications. In one case, one senior officer used slightly different terminology than other officers. The subtle difference in wording created huge differences in interpretation among the rank and file and nearly halted action until the inconsistency was discovered and addressed. “We had three goals that year. The officers were supposed to support all three of them, but in reality each officer focused a bit more on the one issue he or she cared most about. It felt to the rest of us as if they were not sure what had priority, so we did nothing until we saw who would win the battle.”

Conclusions

Actionability has been and continues to be a serious challenge for market researchers. Action -- especially action that requires crossfunctional cooperation -- often fails to materialize because no one person or group is really responsible for or understands all the steps involved.

Fortunately, many wise people have been able to lead their organizations to action. They have encountered barriers and found ways to overcome them. They have learned to look beyond the traditional boundaries of their own roles to see the organization as a whole and to enhance their usefulness to their organization. Their experiences suggest there are many ways researchers can enhance the actionability of their research.

- Step 1: To overcome unclear objectives or a lack of commitment, researchers can verify the research objectives with all key decision makers and can verify the commitment to action before they conduct the research.
- Step 2: To increase actionability in research design, researchers can ask more specific questions, combine qualitative and quantitative research, use comparative benchmarks and link research to the financial bottom line.
- Step 3: To avoid overwhelming decision makers with their reports, researchers can shorten their reports to cut to the chase, learn to tell painful news so it can be heard, and tailor reports to the audience.
- Step 4: To help organizations create effective plans, researchers can help create plans that are specific and action-oriented. They can also encourage involving customers and other stakeholders in the planning process, and they can time their research so it is available for key events such as strategic planning.
- Step 5: To motivate employees to implement plans, researchers can help their firms align employee incentives.
- Step 6: To support implementation teams in taking action, researchers can help team members use data and encourage making team members into heroes.
- Step 7: To sustain action, researchers can track the impact of changes.
- Communication: Researchers can stress the importance of having consistent and complete communication to foster action. This includes communicating over and

over again, using the decision maker's language, and using actions and measures as well as words to communicate. Researchers can also stress the importance of having someone "own" communications and having all communications be aligned.

Overall, the best way for market researchers to help make their organizations take action is to be aware of all the steps in the process of moving from research to action and to use the tools suggested here to overcome the barriers at each step. Researchers who expand their roles beyond collecting and reporting research to fostering action on research will greatly increase their value to their firms.

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