

The future of tracking studies

Nigel Hollis, Millward Brown, outlines 5 ways to approach tracking studies, and argues that they must evolve to survive

E VOLUTION IS A discontinuous process, no less for research methodologies than for the natural world. Tracking studies have been with us for over 50 years now. Every couple of decades has seen a new approach that caused a leap forward in the acceptance and utility of the discipline. These leaps have typically been driven by a combination of changing needs, understanding or data-collection methodology, as summarised in Table 1.

One leap forward occurred in 1976 when Maurice Millward and Gordon Brown conducted their first continuous tracking study. In this case it was not the data collection that was innovative: it was the way the data were analysed that made the real difference. Prior to 1976 tracking data had been collected continuously but then typically aggregated over time on a period-by-period basis. By presenting the data as continuous trends, plotted against the timing and scale of media events, Millward and Brown took tracking from a static report card to a dynamic view of the changing marketplace. The utility of this approach has become widely accepted and it is now an industry standard.

Tracking at the crossroads

Today, tracking is facing new challenges. The sheer complexity of today's competitive environment challenges its ability to cover the plethora of brand extensions, media choices, retail channels and target groups. As the general public becomes increasingly time-poor and resentful of intrusion, traditional data-collection methodologies are becoming less productive, driving up costs. Finally, senior management demands for fast and coherent feedback pressure market researchers to abandon their traditional gatekeeper role and value speed over quality. In the face of these challenges, some people are asking whether tracking will continue to evolve or whether it will go the way of the dodo.

It is a choice, not a fate

The competitive environment facing

brand marketers today is complex and fast-paced. They must have a robust, holistic view of what is happening over time in order to make the right decisions in a timely manner. The role of a tracking study is to provide insight based on what people think, and to do so in a consistent manner over time in order to highlight changes and the drivers of change. Brands are assets that derive their value from what people think of them, so how can we make sensible brand and marketing investment decisions without attitudinal tracking?

Unfortunately, what is in question today is not the purpose of the discipline, but the quality of execution. As an industry we face a basic dilemma. The need to provide very targeted and granular feedback is increasing. The cost of providing that feedback is also increasing, while budgets are decreasing. Most tracking studies are being stretched, trimmed and squeezed in an attempt to get a quart out of a pint pot. It is not realistic, and it undermines the ability of tracking to add real insight where it counts. If tracking is to continue to be a useful and reliable decision-making tool, we must all take a long hard look at what we really *must* know in order to make our brands successful, then design our studies appropriately.

In the remainder of this article I will propose a five-step programme for making sure that tracking studies continue to evolve.

1 Get focused

Specialisation is one of the ways in which species evolve. New forms develop to meet the needs of specific environments. In the same way, the design of tracking studies can differ dramatically, depending

on their objectives. There are five broad areas where tracking can add insight.

► Brand health

What do consumers and customers really think of your brand or service? How well does it compare to competitive offerings? What are the potential opportunities and threats?

► Customer experience

How well does the brand experience meet expectations? How well does the brand deliver on its promise at each stage of the purchase cycle, and how can we improve the experience?

► Volumetrics

Tracking is not a replacement for volume sales data, but it can fill in gaps when there is no other source. For instance, how well does your brand perform in the Wal-Mart shopping environment? What is your brand's share of wardrobe? How much snack brand volume gets sold through gas or petrol stations?

► Quality of communication

Is your marketing communication establishing the intended impression of your brand? Is it striking the right chord with potential consumers?

► Media efficiency

How well is your media selection and buy reaching target consumers? How can it be improved?

In each case, it is absolutely critical that both end-users and researchers understand which decisions a tracking study is going to inform before designing the study.

2 Get real

Those involved in designing the study must be brutally realistic about its scope – what can it reasonably measure? You ►

TABLE 1

The evolution of tracking studies

	1950s	1970s	2000s
Need	Brand development	Share fight	Fragmentation
Understanding	Branding	Creative power	Media efficiency
Methodology	Door-to-door	Telephone	Online



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cannot cover all the topics listed above in one study.

This is more than just asking what questions can fit into a 15-minute interview; it is a question of importance and utility. For instance, it is a myth that survey research cannot measure uncontrolled or targeted marketing activity: PR, sponsorship, online, direct mail, viral. If it has any real impact, you can measure it. With the right design there is little that tracking cannot measure. The question is, is it worth it?

If the expenditure is large enough to affect the overall structure of your marketing budget, then it is worth measuring the return on that investment. One of the challenges, however, is to avoid making any tracking study a 'catch-all'. For many of our new clients we conduct a stand-alone study before commencing tracking that identifies and prioritises all the different brand touchpoints across the brand's purchase cycle. These findings are then used to define what should be tracked on a continuous basis and what needs to be measured periodically or on an 'as needed' basis. In other cases, we adopt a modular design that shares a common core questionnaire but then branches out into different subjects.

3 Get predictive

The future is unknown, but it is not unpredictable. It is no good asking someone what they will do in future – at best their answer will only reflect what they

know and do today. We can, however, use tracking data to understand the probability that things will or will not happen. Figure 1 shows the relationship between 'Voltage' and the probability that a brand's share will grow in the next year. Figure 2 shows the relationship between 'Effective Share of Voice' and the probability that the brand's share will decline in the next year. Tracking measures such as Voltage and Effective Share of Voice allow us to judge a specific brand's current performance in the light of future potential performance. Knowing the likelihood that investment will or will not pay back allows us to manage brands and media investments with far greater confidence.

General relationships like these, and more category-specific predictors, are only identified as a result of intensive analysis across and within studies. Collecting the right data represents the majority of the tracking cost, but to underinvest in analysis is to undermine the value of the whole investment.

4 Get integrated

Tracking really adds value when you use it to help create a holistic view of the environment in which a brand competes. This can range from meta-analysis to fusing tracking data with behavioural or other data sources.

Take the example of a tracking study where brand consideration was declining and sales were increasing. Either finding taken in isolation would have led the client to make very different decisions. Recognition of the fact that commitment to the brand was declining but was being offset by increased price promotion gave a very different understanding and led to different actions being taken.

At the other end of the spectrum, we use tracking studies as the means to unify otherwise partial views of the world. Service industries like telecoms and financial services have a wealth of information at their fingertips. The problem is,

most of it is behavioural and partial. Transaction databases give insight into what customers do, but not what they want. Sampling from within a customer database gives us much greater insight into the needs and attitudes that drive customer behaviour, offering the potential to up-sell and cross-sell. Further, segmentation based on the combined tracking and transaction database can then be applied to a more representative study, to better target new prospects with more compelling offers.

5 Get involved

The real value of tracking comes when there are specific issues to be addressed. Why are we losing share to brand A, but gaining from brand B? Is our alternative media strategy to reach the light TV viewer working? Has the new loyalty programme been successful in preventing switching? Unless the decision makers get involved with the study and pose questions like these, the value of the tracking study will not be realised.

Critically, unless the researchers know what marketing actions are planned, they cannot ensure that a tracking study will provide appropriate feedback when it takes place. Experienced and knowledgeable research agency staff cannot anticipate all the needs of the people struggling day in and day out with the complexity of their own businesses. The combination of the two is required to synthesise the data from multiple sources,

FIGURE 1

High Voltage™ brands are more likely to gain share

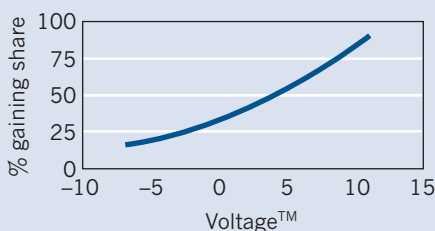
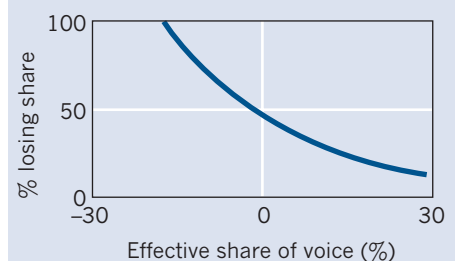


FIGURE 2

Advertising investment reduces risk of share loss



‘Part of the value of tracking results from the ability to identify and project trends, but that does not mean that we should be hostage to them’

including tracking, and create the insights that will drive competitive advantage.

Evolve or get out

The five steps outlined here may seem obvious – best practices usually are – but it is amazing how often they are forgotten or ignored. The process of ensuring that tracking delivers real value is a continuous one. It requires regular assessment of whether the tracking metrics are aligned with the business decisions that need to be made and a willingness to change the study if need be. Part of the value of tracking results from the ability to identify and project trends, but that does not mean that we should be hostage to them. Tracking studies must evolve over time if they are to remain relevant. If they fail to evolve they will get axed, along with the obsolete production equipment and the uneconomic product line.

Conclusion

In *A Naturalist's Voyage Round the World* Charles Darwin comments on ‘a most singular group of finches, related to each other in the structure of their beaks, short tails, form of body and plumage: there are thirteen species, which Mr. Gould has divided in four sub-groups’. Just as with Darwin's Galapagos finches, we believe that tracking studies will continue to evolve, taking on different but related forms to meet their specific objectives.

There is one key difference, however, in the nature of that evolution. In the case of the finches' evolution the success of the individual bird is largely a matter of chance. In the case of tracking, we as marketers and researchers have a direct say in how each study evolves. We can create studies expressly suited to the task, whether it is to track brand health, media efficiency or customer experience. The future of tracking is in our hands, not those of fate. ■

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