

## What is research's real value?

With CPG companies experiencing continuing financial challenges, layoffs have begun, including significant numbers in the research function at major corporations. Is healthcare market research insulated from this trend?



**Anna McClafferty**  
*SVP, executive commercial operations, TGA S Advisors*

The pharmaceutical industry experienced a significant reduction in resources for marketing research and analytical activities from 2010 to 2013, concurrent with many brands losing patent exclusivity. With the resurgence of pipeline productivity over the past several years and the industry's increased attention to customer focus, consumer experience and multichannel marketing strategies, this "belt tightening" trend has come to an end, and we now see a stabilization of investment in these activities. Marketing research and analytics departments continue to look for efficiencies and ways to stop lower value activity, but they are also reinvesting in building new capabilities. We expect expenditures on primary marketing research to be flat for 2015.



**Croom Lawrence**  
*Senior director, digital for Merkle's Health practice*

Marketers wading in data must orchestrate, not abandon, market research. Historically, codifying insights to inform impactful journeys added up to the larger brand opportunity. Fast-churning "real time" marketers that skip research steps may ultimately fail to learn if the data flood obscures focus on larger business objectives. A single inspired insight occurring in a digital moment is not valuable if it can't spark a sustained dialogue or change behavior among a fully scaled audience. Organizations should redefine the research function to include not only primary research but also in-market test plans, longitudinal surveys, editorial planning, and preference data. A structured learning plan to manage both the meaning of our brands and real-time customer dialogue is one strategic tool in the bag.



**Brian E. Cain**  
*Vice president Ironwood Pharmaceuticals*

Market research in the healthcare space plays a vital role and brings cross-functional value to an enterprise. There are a few key drivers: the significant evolution of big data, and not only the access of data but the need to correctly interpret it. Also, the Affordable Care Act has advanced the electronic footprint of healthcare. As a result, much more data is accessible to healthcare companies, and market research plays a unique role in analyzing and synthesizing these data. And of course, healthcare is a regulated industry with markets that have complex dynamics, so the critical thinking of market research brings essential insights to the forefront. For these reasons, I believe the need for a thoughtful and innovative market research function in healthcare has never been greater.



**Kerri Lehrhaupt**  
*Vice president of consulting services, Kantar Health*

The market research units in pharma are not immune to the industry layoffs that we've been seeing lately, and they are definitely feeling the pain of these losses. However, it does open the door for firms that have the ability to take on the role of consultant, marketing manager, market research manager and strategic partner. They are engaging these firms more and more, but the relationship has changed and they are now engaging us as they would a staff member and an extension of their team. Market research firms whose employees can wear many hats will be better able to weather the storm and ease clients' pain.

**Got a forum question or comment?**  
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