

The Future of Insights is Conversational

Everyone wants to be heard...No one wants to be studied

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Introduction— A call for change

What would your organization do to beat competitors by 30%? The answer is right at your fingertips – explore the power of insights. According to Forrester, customer-obsessed brands that systematically harness insights across their organization are outpacing their competition by 30% in revenue growth¹. These companies don't necessarily spend more on insights, but they develop a deeper understanding of their customers and leverage that knowledge to win in the marketplace.

While companies are investing literally billions of dollars in gathering consumer insights—the global marketing research industry represented \$76 billion in 2018 alone²—we continue to question the value derived from this massive expenditure.

One could argue the primary mission of marketing research is to produce delighted customers who contribute to the success of our businesses. But for all of our efforts, we struggle to meet the evolving needs and fluid expectations of our customers. According to Forrester, improvements in customer experience have either stagnated or declined in the past few years³. And the problem isn't just in a few industry sectors. Virtually every industry is failing to keep pace with changing customer expectations.

This widening gap between customer expectations and the experience being delivered exposes a sobering fact. We must do a better job of developing a true, deep, and timely understanding of our customers. It's time to re-examine widely accepted practices and question whether many of the philosophies, techniques and technologies we've relied on for decades are still relevant and effective today.



Identifying the hurdles

Today's consumer values—even demands—authenticity from brands. But there is nothing authentic in how the marketing research industry communicates with people in the traditional, survey-based research techniques that have persisted for decades. Similarly, email is hardly the primary means of communication we use with our friends and relatives, yet we remain almost entirely reliant on it for the majority of quantitative marketing research studies conducted around the world.

This is not to say that innovation isn't happening in marketing research. The rise of behavioural science and neuroscience has given way to promising approaches that help to understand subconscious decision making. Techniques such as implicit association, image elicitation and biometrics have become part of the modern research lexicon and toolkit in the past decade. These are just a few examples of how modern researchers are attempting to innovate.

But even these new techniques rely on traditional marketing research approaches that are heavily dependant upon outdated engagement methods like email. So the problem isn't that insight professionals aren't innovating (they are!), it's that they are doing so on the back of aging technology and research design principles that are out-of-step with the way people communicate in their increasingly digital lives.

The biggest hurdle we must overcome is the status quo. Too often we bring an overly clinical point of view when brand owners want candid and authentic feedback. We view people as "respondents" to be tested and studied rather than people to be understood. Let's be honest. No one wants to be studied. They want to be heard. And as insight professionals, we want genuine feedback, not the "right answers" to our tests.



The biggest hurdle we must overcome is the status quo

In the next section, we'll explore the hurdles the global insights industry faces if we continue to cling to declining communication channels that create barriers to reaching the right people at the right moments. Currently, we ask consumers to endure arduous survey interfaces and boring questionnaires to recall and evaluate experiences that may be well in the past. These practices often lead to overstated actions and attempts to rationalize decisions that may be anything but.



The email conundrum

“Oh goody! More e-mail,” said no one. Ever. Yet the global marketing research industry relies on email-based technologies and approaches as our lifeblood. We use e-mail for everything from ubiquitous Net Promoter Score feedback, to tracking studies and employee feedback. But as our industry has become more reliant on email, as individuals we are avoiding it more and more in our personal lives. We text our friends and family, and use social media to keep in touch with our wider network. Even at the office, email no longer facilitates work—it is work.

Consider that in any single day...



244 billion emails

are sent globally and fewer than a quarter of those sent by businesses are read



Email overload is a problem for nearly

3 of 4 of consumers⁴

The decline of email impacts all demographic groups, but it is particularly acute among people under the age of 35. Many young consumers maintain an email address only because they need one to facilitate their use of other mobile apps like e-commerce, media streaming, social media and messaging.

Even insight communities (an innovative research tool that the GRIT report⁵ says has the highest level of interest amongst insights buyers) depend on email for member engagement. Not surprisingly, even these high-affinity communities are facing unacceptably low response and community participation rates.



Reliance on email is a growing threat to the global marketing research industry

Email's decline poses a colossal threat to the marketing research industry. And in reality, email has never been a particularly good tool for many emerging markets, where mobile has always dominated. More than ever, we need to engage with consumers the way we actually talk to each other. We need to reach people where they are rather than through channels that are convenient for us, not them. And when we do reach them, we need to engage in authentic conversations, using natural language that elicits honest and insightful opinions and accurate behavioral dynamics.



Riding the third wave

With the decline of email for interpersonal communications, text messaging has exploded. Mobile messaging apps are now used by more than two billion people worldwide and more than five billion people have the ability to receive and send texts. The top four messaging apps—WhatsApp, Facebook Messenger, WeChat and Viber—have already surpassed the top four social networks in active users. And conversational technology isn't limited to text. Voice apps like Siri, Alexa and Google Assistant are expected to have 8 billion users by 2023⁶.

The rise of conversational technologies signals a new era (and opportunity!) in marketing research—the third wave. Like earlier waves of change, it requires us to re-examine everything we do, including the technology infrastructure that supports us and the research design principles that have driven our industry for decades. While it now sounds like ancient history, the internet transformed modern marketing research. As we entered the 21st century, we

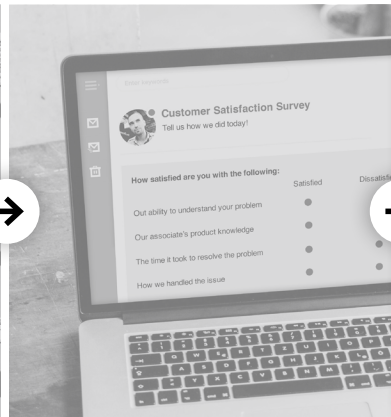
were riding the first wave of modern online marketing research, adopting internet-based methods to replace labour-intensive telephone and face-to-face data collection techniques. The industry benefited from the move, but we also “dehumanized” the experience, eliminating interviewers and facilitating long, boring questionnaires as researchers packed as many questions as possible into each study.

After about a decade of doing online research, the second wave was upon us, ushering in an exploding array of online panels, and the emergence of insight communities and DIY tools and technologies. These technologies were meant to ensure abundant sample sources—easily reached by email—and plenty of shiny new tools, many of which heaped even more burden on people willing to participate in research.

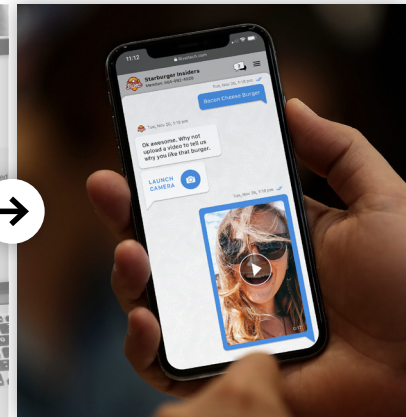
The three waves of online marketing research



Wave 1: Modern online marketing research adopts internet-based methods



Wave 2: The emergence of online panels, insight communities and DIY tools



Wave 3: Organic and immersive conversations through messaging platforms

Not surprisingly, throughout this time the “customer experience” of participating in research has become less gratifying and more impersonal, and the social contract of “your opinion counts” has begun to fray. As a result, response rates have fallen while the need for incentives has risen, undermining some of the economies the second-wave technologies were meant to provide. The lack of “personal touch”, the language we use, and the method in which we contact people has grown increasingly clinical and off-putting. When was the last time you asked a family member, “On a scale of one to 10, where one is extremely dissatisfied and 10 is extremely satisfied, how would you rate our family life?” They’d likely look at you as if you were an alien—yet this is exactly the alien language we use in research!

Enter the third wave. Thanks to the rise of instant messaging and the near universal use of mobile devices, we have the opportunity to reach people where they live their digital lives. We can have organic and immersive conversations that enable research designs that feel modern, personal and empathetic.

It’s a simple idea: Engage with people in a conversational style using messaging networks and apps that are part of their everyday lives. In other words, talk to them like they are people, not “respondents.”

This power of conversational engagement is something that the broader marketing industry has already recognized. Today, conversational marketing is one of the fastest-growing areas of the industry. According to Gartner, use of conversational interfaces reached a tipping point in 2018⁷. The growing investment in chatbots, voice assistants and other conversational technologies to better serve their customers is exploding.

The most successful marketers are also realizing that consumers are more likely to engage in a two-way dialogue that delivers personalization rather than respond to a traditional promotional message that is either “one size fits all” or poorly targeted.

The time is right for the research industry to leverage the full power of conversational technologies as well. Just like our colleagues in marketing, we need to engage consumers in more authentic and organic ways. In the next section, we will unpack the research benefits of conversational approaches and provide case studies that illustrate their promise.



Drastically improving the research experience

Designed for desktop screens, surveys sent via emails tend to be complex, formal and clinical—all things that conversational approaches are designed to alleviate. We're not talking about simply delivering traditional surveys on a mobile device. We've tried that and it doesn't work particularly well. What we're suggesting is a complete reimagining and blending of the quantitative and qualitative research experience optimized for a mobile messaging based world.

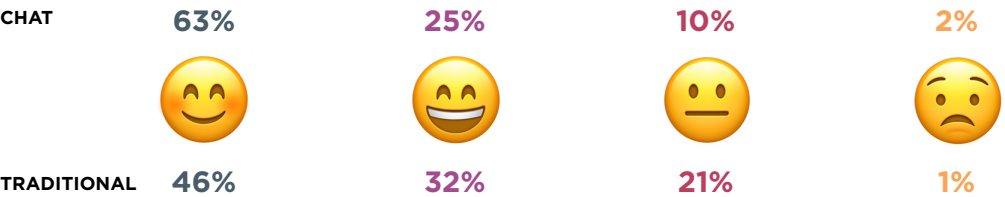
A recent research-on-research study conducted by Rival Technologies, a sister company to Reach3 Insights, demonstrates the promise of conversational approaches in delivering a superior respondent experience. The study compared chats—conversational surveys deployed via SMS, Messenger and other messaging apps—to traditional email surveys. The chats leveraged the power of chatbots,

mobile notifications and other modern, mobile technologies to engage consumers in real time. Rival's research-on-research shows that 63% of respondents say chats are "much more" enjoyable than traditional surveys⁸. Participants say the experience more closely resembles interacting with a friend rather than an interrogation with a faceless brand. They report that chats feel more like a conversation rather than a survey.

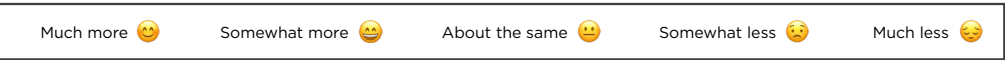
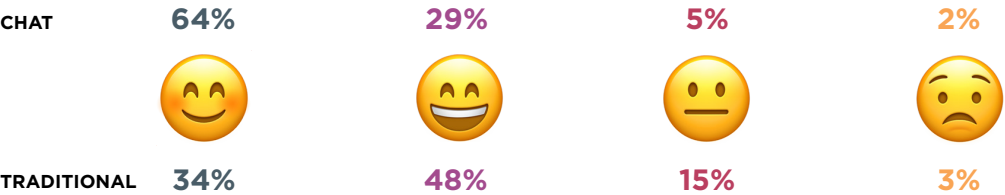
This improvement in the respondent experience is not trivial. As we explain in the next section, the true power in delivering a more conversational experience is that it unlocks deeper, richer insights.

EXPERIENCE: CHATS VS TRADITIONAL SURVEYS

How did you enjoy taking this survey in comparison to others you may have taken before?



How much fun is this survey experience compared to other surveys you may have taken before?



RESPONDENT FEEDBACK ON CHAT SURVEYS

We asked, “do you have any general feedback on this chat survey experience today?” and received many great responses.

It seemed much more personal. A good experience for me.

It was a new concept, but I liked it. Makes the survey seem more like a natural conversation

I wish every survey took a cue from your company. A really innovative way to do surveys.

Thank you, to whoever came up with this Chat idea. I LOVE IT!!

It is a very creative method to do a survey in this format and look forward to other companies following the lead of this one.











This mode of survey has an interpersonal aspect that makes it more enjoyable and appealing.

I think this is the best survey I've ever taken, it made it so simple I wish they were all like this

I LOVE this type of survey it makes it seem more fun and makes time go by fast

Only that this was a great way to take a survey! felt like I was just talking to a friend



For more information and data on this research-on-research, download Chat Surveys: How They Compare to Traditional Online Surveys and Their Impact to Research Experience and Data Quality
bit.ly/chat-surveys | [@rivaltechco](https://twitter.com/rivaltechco) | rivaltech.com



Everyone wants to be heard...no one wants to be studied

We've already discussed how unnatural the language of traditional surveys feels. We always encourage our clients to actually take the survey they are planning to deploy. Unfortunately, this often proves a painful experience. Most email-based surveys are long, monotonous experiences filled with confusing instructions, a sea of radio buttons, and difficult to interpret multi-choice grids. This puts people into "test-taking mode." They feel like they are being "studied." Faced with the challenge of recalling what they bought or did or saw, let alone the associated whys and hows, they start rationalizing their responses at best. At worst, they simply click random answers as quickly as possible so they can complete the survey.

Conversational approaches help address the drawbacks of traditional email surveys. Chats feel like conversations and can be deployed in-the-moment, while people are still doing the activities you wish to examine. This lack of reliance on recall—as well as the conversational experience—helps to get people out of test-taking mode and facilitates the sharing of more candid, stream-of-consciousness feedback.

Because conversational exercises are mobile-first, they make it easy to capture images, videos and audio from respondents. And because nearly every smartphone has a camera, people can easily provide rich media feedback within the actual chat. The experience is seamless, alternating between the rigor and structure of quantitative research combined with the unstructured, first-person richness of qualitative. When captured in a conversational experience, these responses are not only richer—they're also more candid. Compared to email-based responses, feedback from videos and audio captures nuances in tone and emotion, for instance. Videos are also powerful storytelling tools which can help humanize your customers and inspire stakeholders in an organization to take action.

At Reach3 Insights, we are seeing great promise in capturing deeper, richer human insights, unfiltered and in-the-moment via our immersive conversational methodologies. We're also finding that the research results are gaining higher levels of attention and engagement, winning kudos of our clients across a variety of industries including Consumer Packaged Goods, Technology, Retail, Media and Entertainment.



Reach real people in real time

As we've launched our approach to conversational insights, we've identified one common misconception—that messaging is largely limited to young consumers. But that couldn't be further from the truth. While it may be the only effective way to reach young people, messaging has been rapidly adopted across all demographic groups. According to a study by Facebook, 63% of Baby Boomers prefer messaging over email and phone calls. Among Gen Xers and Millennials, that number is even higher: 65%⁹. As for Gen Z, the cohort after Millennials, 75% of them prefer texting over other forms of communication, according to a 2017 study¹⁰.

These stunning stats clearly illustrate that texting and messaging aren't just a "Millennial thing"—this is how most people want to

communicate these days. Messaging's universal appeal means you can easily reach your target audiences, whether they are teens, trendsetters, B2B buyers or older, more affluent groups.

The mass appeal of messaging and text means you have the potential to engage broad swathes of the population as well as niche groups that are difficult to reach via traditional research panels and email-based surveys.

The pervasiveness and universal appeal of messaging

63%

of Baby Boomers prefer messaging over emails and phone calls

95%*

of texts are read within the first 3 minutes of being sent

65%

of Millennials prefer messaging over emails and phone calls

70%^

of Consumers feel that push notifications are useful

75%

of Gen-Z prefer texting over other forms of communication

94%#

is the global average open rate of SMS communication

* <https://www.viber.com/blog/2017-11-06/text-message-response-times/>

^ <https://blog.e-goi.com/infographic-push-notification/>

<https://www.esendex.co.uk/blog/post/what-is-the-open-rate-for-sms-in-2018/>

CASE STUDY

Engaging a hard-to-reach group of Gen-Z Fortnite players

Background

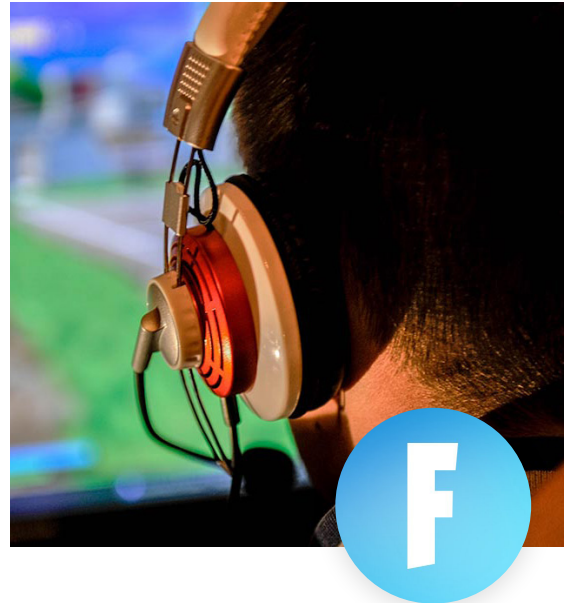
Fortnite is a multiplayer video game released in 2017. Known for its fun visuals and innovative technology, the extremely popular game has disrupted gaming and given birth to the biggest esports superstars today. Reach3 Insights wanted to examine the stunning rise of this game and its impact to major adjacent industries.

Solution

Reach3 partnered with TheSquatingDog, a popular livestreaming and gaming influencer, who put a link to a conversational survey in one of his Instagram stories. Followers simply 'swiped up' to immediately begin a messaging-style chat. Over 900 Gen Z Fortnite players participated in the research in less than 10 hours, and because the experience was so engaging, over 70% of these consumers participated in several follow-up activities too. Most of the participants were teen gamers—a consumer group that is notoriously difficult to reach via email-based research panels and communities.

Results

We uncovered insights on the rise of Fortnite among young consumers and the impact of gaming to retail, media, esports, marketing, and other industries. The study received earned media coverage from VentureBeat, Marketing Dive, MediaPost and other prominent tech and marketing publications.



Nimble for the Win

Because text and messaging apps are incredibly popular worldwide, they are extremely effective in reaching consumers in real time and getting immediate feedback. Emails lack urgency and can easily get lost and buried in a crowded inbox. But text notifications are distinctive and have an urgency all of their own. Research shows that text messages have a 94% open rate¹¹ and that the average response time is a mere 90 seconds¹².

In addition to being able to replace many traditional research approaches, the immediacy of messaging opens up a myriad of new research opportunities. We can conduct research in the moment and reduce our reliance on recall. Engaging people at the point of purchase or while attending an event becomes much more practical, as do techniques like mobile missions and video ethnography.

CASE STUDY

Uncovering emerging trends in a matter of days

Background

Snapchat is one of the most popular social media apps for teens and young adults. On average, 190 million people use Snapchat every day globally to message with friends, share about their daily lives and keep up with news. To cement its reputation among marketers as a thought leader in Generation Z teens (age 13-17), the company wanted to use research to predict upcoming trends among this group.

Solution

Reach3 Insights used conversational approaches and technologies to talk to thousands of teens in the US. Rather than relying on traditional recruitment methods, Reach3 used next-gen techniques that engaged teens through relevant online influencers and on popular websites and social media platforms and apps. Chat surveys (rather than traditional online surveys) were used to provide research participants with a conversational and more enjoyable experience.

Results

Reach3 delivered a comprehensive report to the Snapchat team in less than a week, providing quantitative and qualitative analysis on the attitudes, preferences and expectations of Gen Z consumers for the year ahead. In one example, participants



singled out K-pop group BTS and indie artist Billie Eilish as two music acts set to dominate in 2019, as well as identified some up-and-coming stars like NBA YoungBoy. Not only did the report reveal top trends, it also provided detailed feedback on the “why” behind those trends and interesting nuances based on gender and age.

Hundreds of open-ended responses provided rich context and colour to data. Snapchat shared top findings from the report on its blog and received media coverage from premium publishers, including Fast Company, Vice, and Social Media Today.

Sea change—Deeper, richer insights

Our research has shown that conversational approaches will deliver highly valid and comparable results where they should, while improving results when hard-to-reach audiences are required. But where we see some of the most significant differences between traditional and conversational approaches is in the more unstructured, qualitative forms of response. Open ends are more robust and emotive when delivered via video or audio and they help bring findings to life, particularly for non-researchers.

In fact, in one Reach3 Insights experiment, we found that the average number of words used to respond to a traditional open end was 17 while a conversational open end elicited 122 words—an increase of 700%!

Conversational insight approaches that leverage mobile messaging technologies will become the next major movement in modern marketing research. As I outlined here, these approaches reach your target audience at the right time and deliver a much better experience. Just as important, feedback from these approaches are deeper and richer—delivering authentic and actionable insights that improve business outcomes.

In today's insights and data-driven world, there has never been a bigger appetite to capture “human data”—real-time and authentic insights on consumer attitudes, emotions and preferences. The research industry has the expertise to provide these insights and deliver real value to companies. But in order for us to do so, we must put traditional approaches under the microscope and explore new ways of doing things.

The time to embrace the new era of insights is now. And that new era will be conversational. Let's chat!



About the author

Matt Kleinschmit

Founder & CEO, Reach3 Insights

With 20 years of hands-on consultative insights experience across a variety of industry sectors, Matt is a skilled and seasoned research innovator specializing in developing agile, inter-disciplinary consulting teams and creative, technology accelerated insight solutions for global brands who are determined to win in today's fast-paced marketplace.

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About Reach3 Insights

Reach3 Insights is a full-service research consultancy that develops scalable, conversational insight solutions for today's modern, agile enterprise. Led by CEO Matt Kleinschmit, the company uses immersive, in-the-moment research designs and dynamic digital storytelling to deliver deep experiential insights that inspire action. Reach3's growing client base now includes industry-leading brands such as Diageo, Snapchat, Roblox, Tyson Foods, Kimberly-Clark, Jägermeister, and Hyundai. Reach3 is part of Reid Campbell Group and a sister company to Rival Technologies. For more information, visit reach3insights.com.



About Rival Technologies

Rival Technologies is the company behind the world's first enterprise mobile messaging-based market research platform. The company's solutions enable industry-leading brands such as the NHL's Vancouver Canucks and REVOLT Media & TV to create Mobile Communities of consumers they can continuously engage for insights. By leveraging the smartphone's chat, video, and voice technologies, the Rival platform enables marketers and researchers from global brands to capture robust quantitative and rich qualitative feedback and unlock the fast, iterative and ongoing insights they need to improve business outcomes. Rival is part of the Reid Campbell Group and a sister company to Reach3 Insights. For more information, visit rivaltech.com.