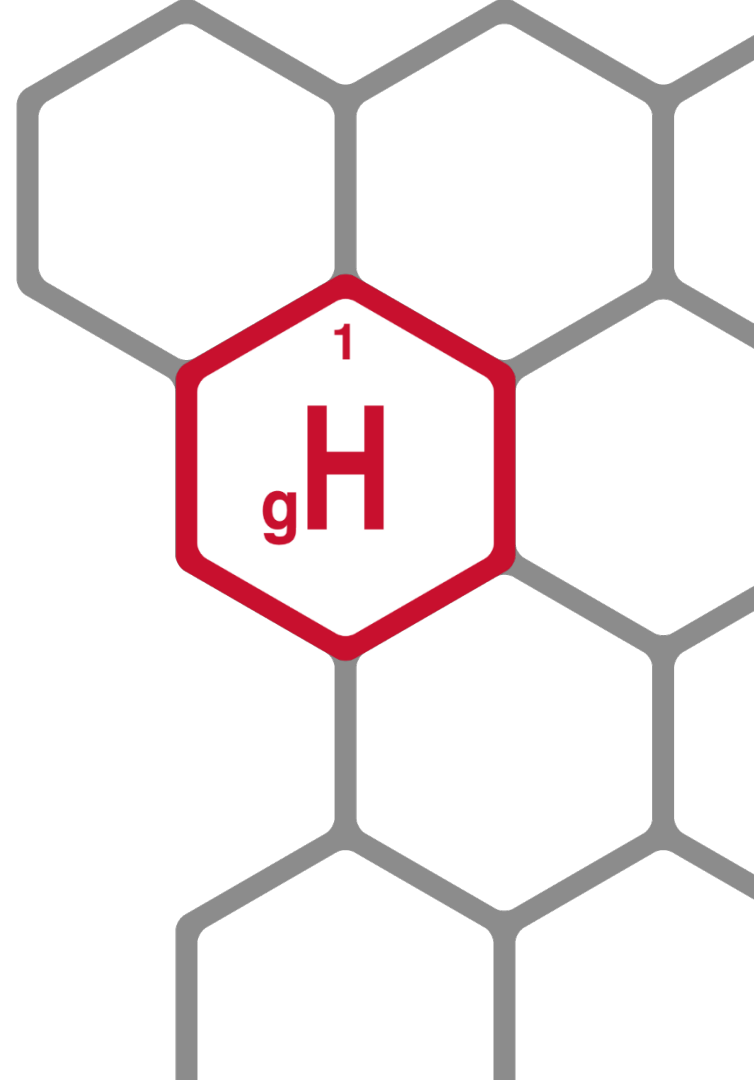


Survey

Summary Feedback - Final

groupH

29th November 2018





Our main goal was to understand better different philosophies at play in adding value to a business operation through Market Research and Consulting



On one hand, Consulting and Market Research appear like two faculties who are intimately linked together by seemingly very similar tasks applied in often similar looking projects.

On the other hand, there seem also to be two communities *divided-by-a-common-language**

Our main goal in this short survey was to understand on one hand terminology better and how these communities have grown together over the last 20 years but also what divides them in the way of their deep believes in how best to add value in answering business questions

A better understanding may hopefully help to put together better teams, design better project approaches and pitch RFPs to the right agencies depending on project objectives and disease area

*George Bernard Shaw describing differences between the English and Americans





groupH collected the views from 34 respondents divided into 3 stakeholder groups depending on their current role

Survey Design

- 20 scaled statement associations + 1 open question
- Total = 34 respondents (EU, US, JP) divided into 3 stakeholder groups based on their current role
 - **Pharma** n = 12 (Biotech, mid-cap and large Pharma with a bias towards large Pharma. Individual's roles varied and stretched from strategic marketing, global forecasting, business intelligence, business insights, product strategy and commercial planning, global brand manager to market research manager)
 - **Market Research** n = 10 (individuals with a MR agency background working on the agency side or as independent associates)

... (continued)

... (continued)

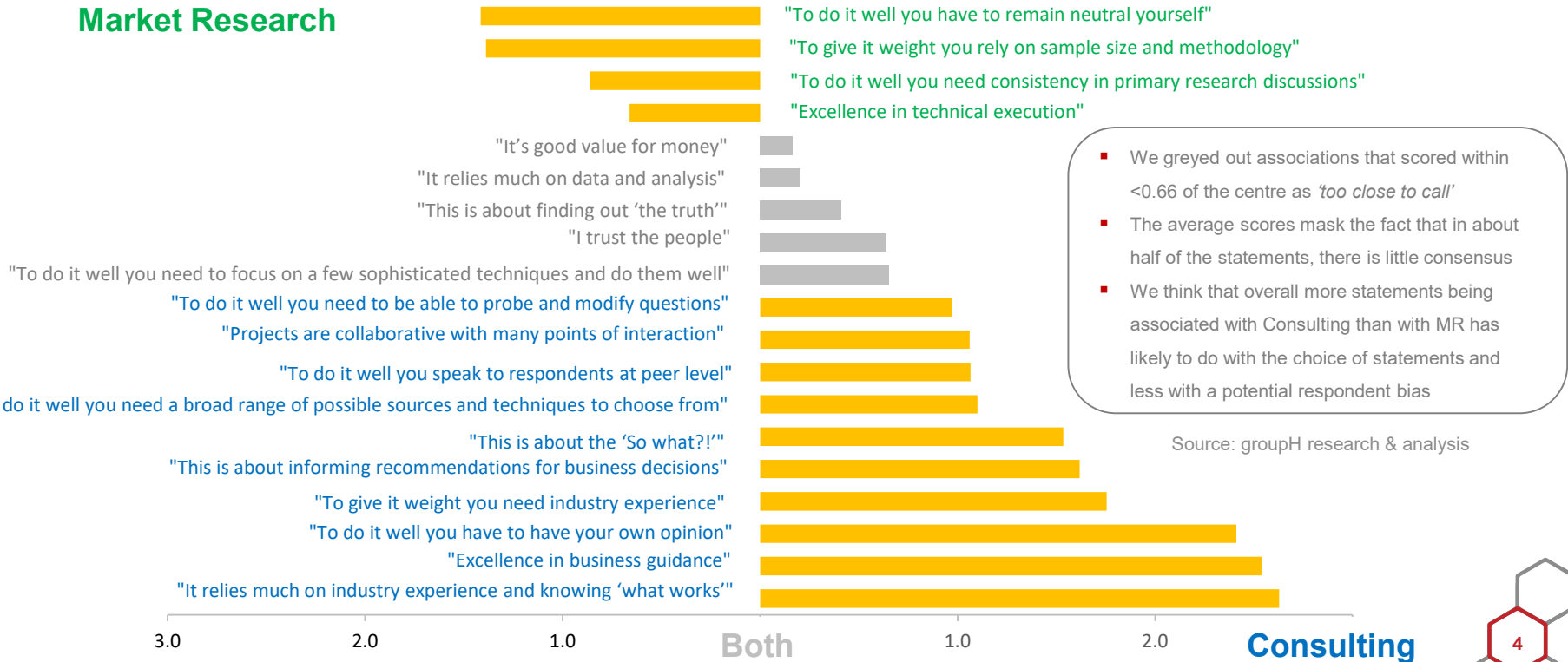
- **Consulting** n = 12 (Consulting in this case understood as 'strategy consulting' and includes individuals working as commercial and market access consultants as well as in senior BizDev roles either independently or as part of a Consulting agency)
- groupH calculated group-averages and a total average, whereby we weight-adjusted the MR group score due to the slightly smaller number of respondents
- The average respondent industry experience was a minimum of 16.4 years, whereby this may be an understatement since 18 respondents indicated an industry experience of >20 years
- The survey was open from 26th October to 8th November 2018



Survey feedback as an average from all respondents associates a number of statements clearly with either Market Research or Consulting

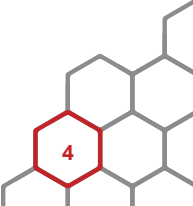
Average Ratings from All Participants (n = 34)

Market Research



- We greyed out associations that scored within <0.66 of the centre as *'too close to call'*
- The average scores mask the fact that in about half of the statements, there is little consensus
- We think that overall more statements being associated with Consulting than with MR has likely to do with the choice of statements and less with a potential respondent bias

Source: groupH research & analysis





Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

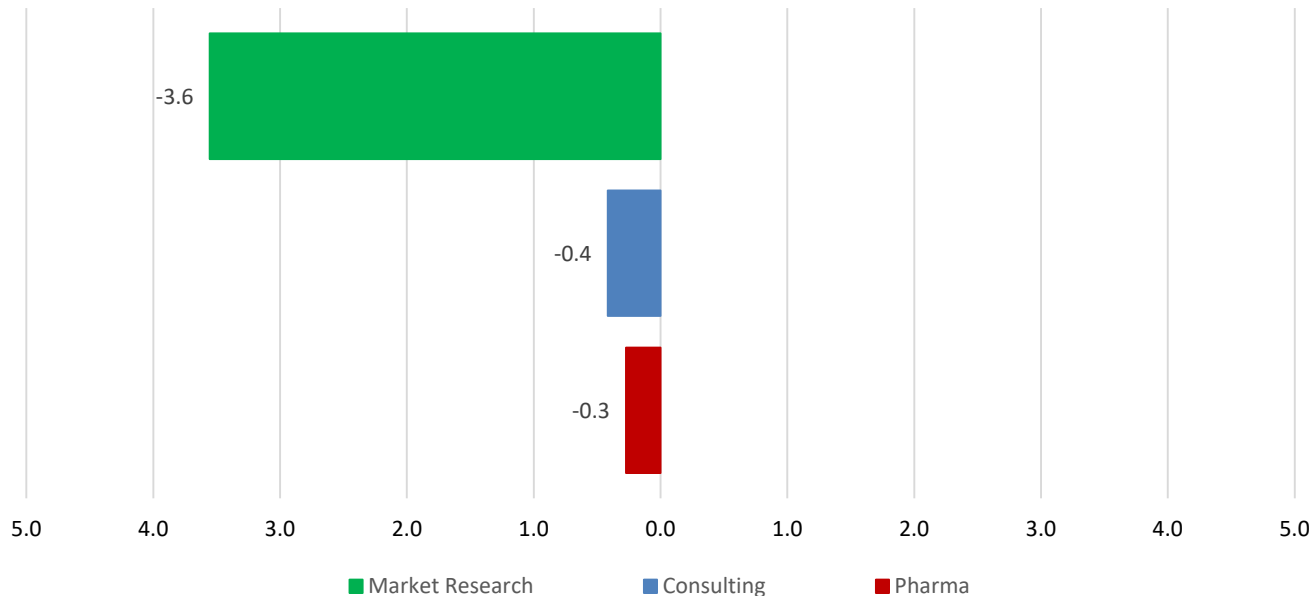
#1: *"To do it well you have to remain neutral yourself"*

Ratings by Respondent Group

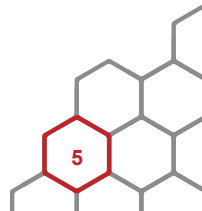
Market Research

Both

Consulting



- Market Researchers see neutrality strongly associated with themselves but not with Consulting
- In contrast, Consultants see neutrality (at least in certain situations) as much as part of their work as part of Market Research





Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

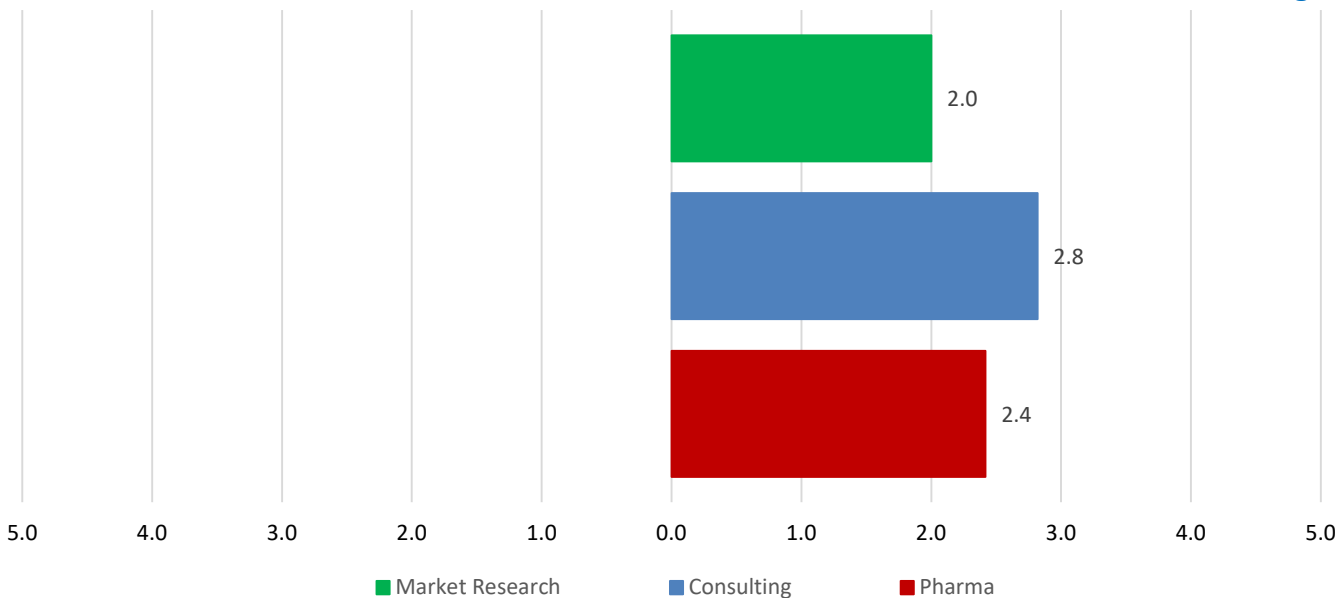
#2: "To do it well you have to have your own opinion"

Ratings by Respondent Group

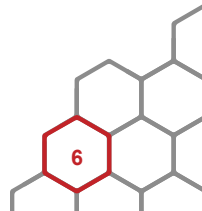
Market Research

Both

Consulting



- All parties agree that putting forward one's own opinion is strongly associated with Consulting
- Not surprisingly perhaps, Consultants support this statement the strongest





Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

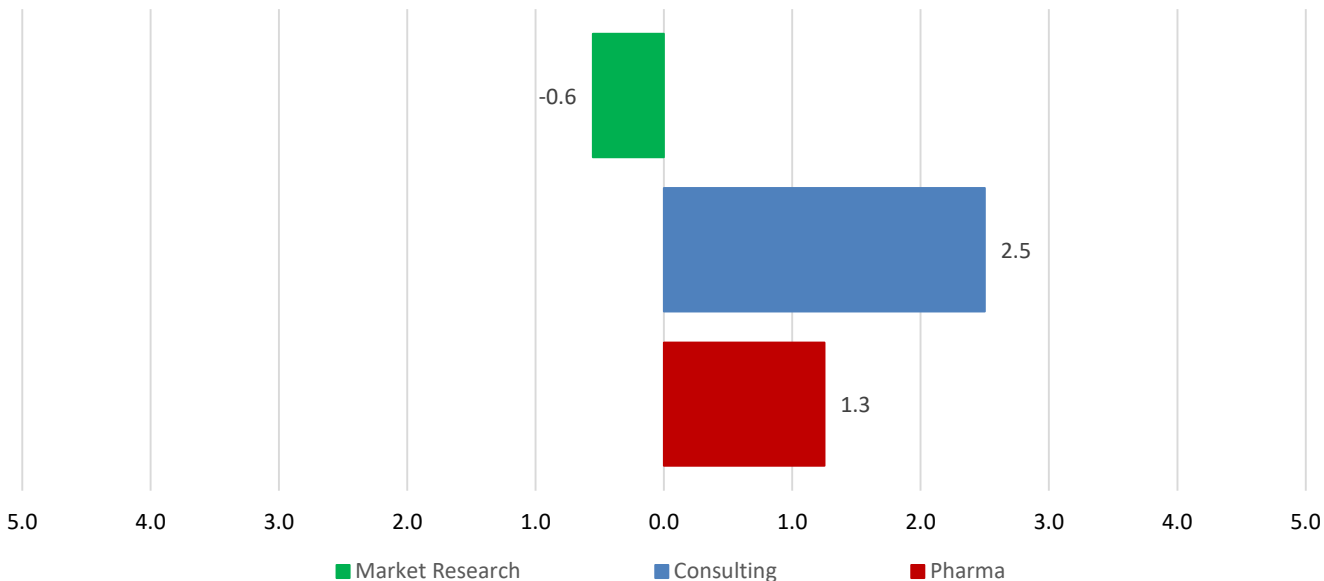
#3: "To do it well you speak to respondents at peer level"

Ratings by Respondent Group

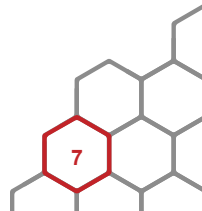
Market Research

Both

Consulting



- Consultants believe leading peer level discussions with respondents strongly differentiates them from Market Researchers
- Market Researchers believe this skill is at least as important to them as it is for Consultants





Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

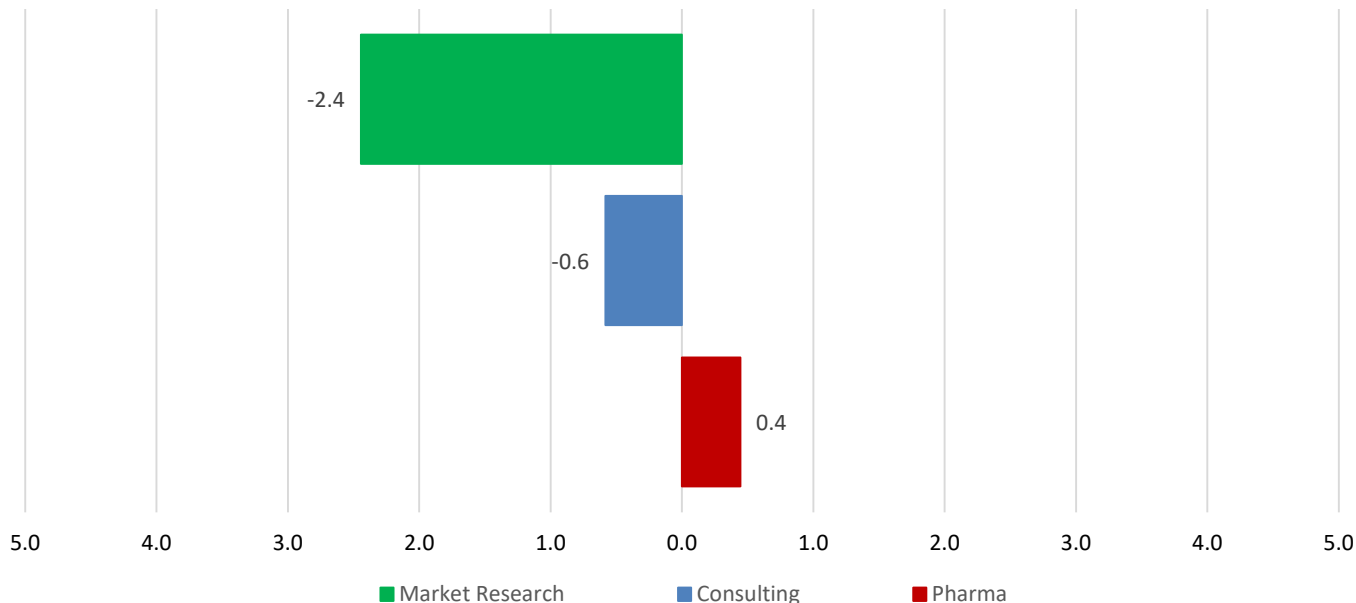
#4: "To do it well you need consistency in primary research discussions"

Ratings by Respondent Group

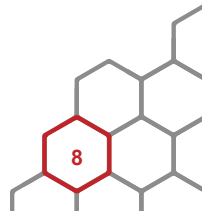
Market Research

Both

Consulting



- Market Researchers believe consistency in their approach is much more important for them than for consultants
- Consultants agree to some extent but see this attribute as almost equally important to both MR and Consulting





Indicate whether you associate the following statement more with either

Market Research or **Consulting**:

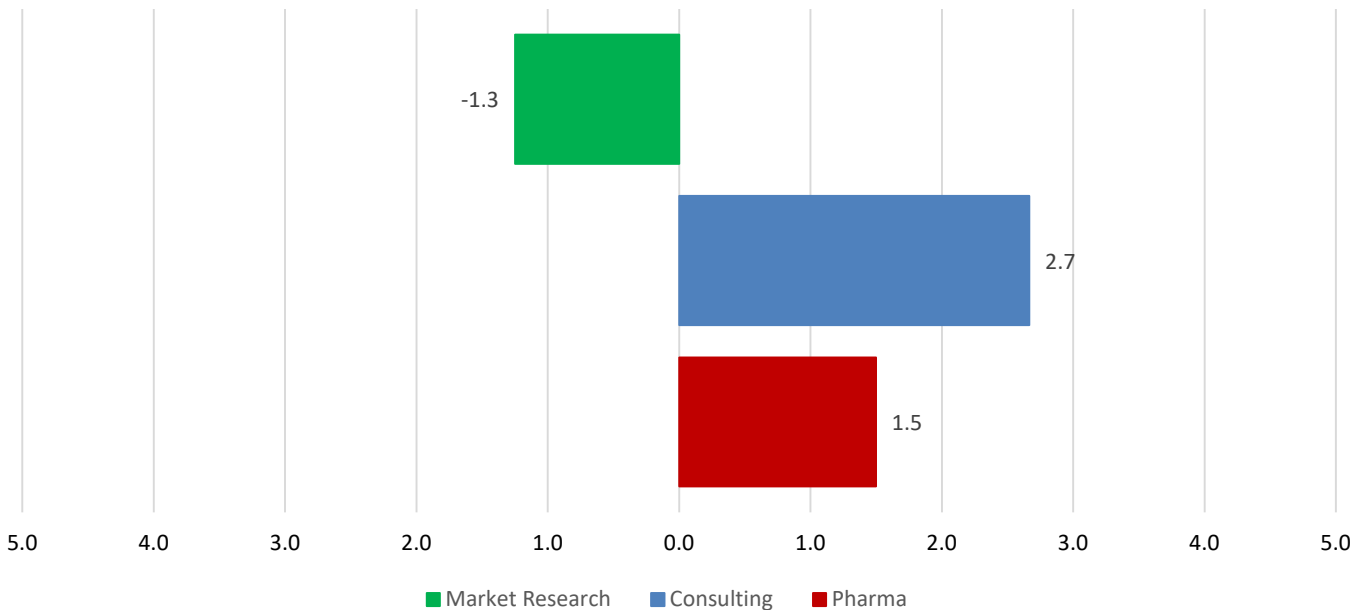
#5: "To do it well you need to be able to probe and modify questions"

Ratings by Respondent Group

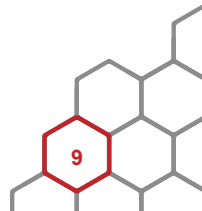
Market Research

Both

Consulting



■ Market Researchers and Consultants both claim that the ability to probe and modify questions is owned only by them, Consultants more so than Market Researchers



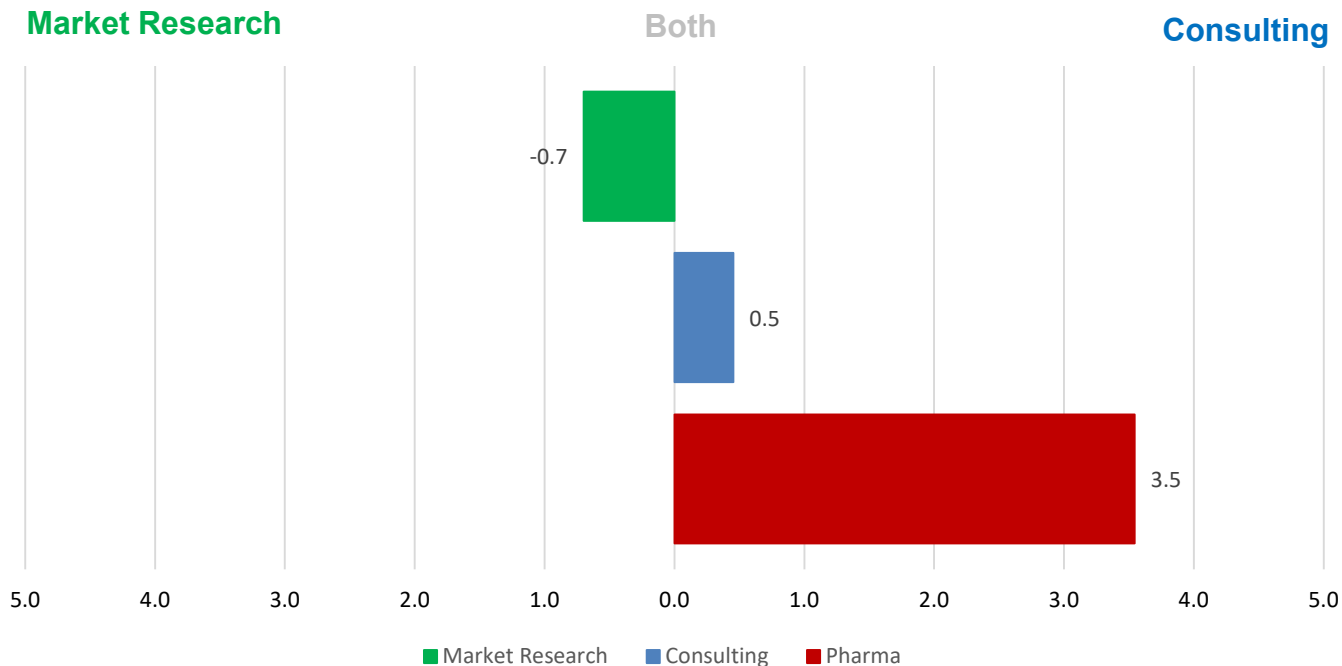


Indicate whether you associate the following statement more with either

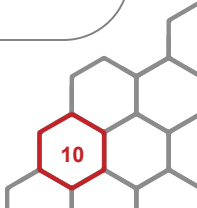
Market Research or **Consulting**:

#6: "To do it well you need a broad range of possible sources and techniques to choose from"

Ratings by Respondent Group



- Market Researchers and Consultants both believe that having a broad range of possible sources and techniques at their disposal is important
- Interestingly, Pharma believes this breadth of sources and techniques is strongly associated with Consulting but not with Market Research



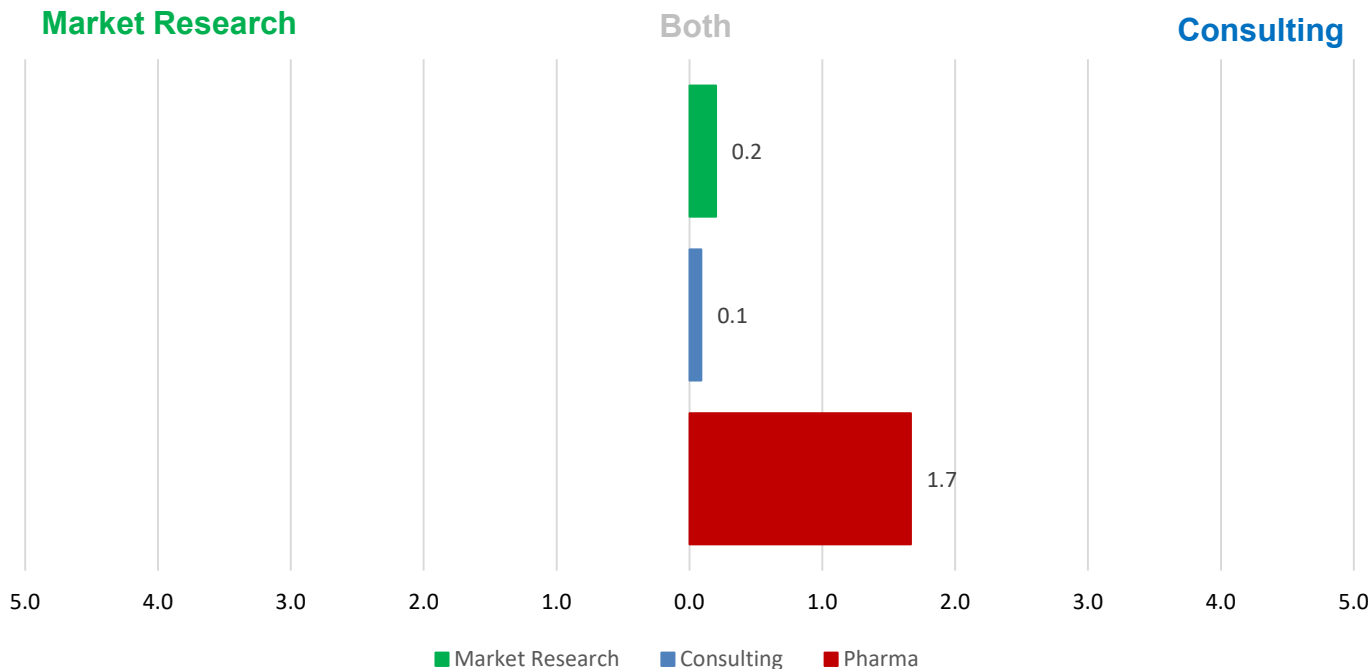


Indicate whether you associate the following statement more with either

Market Research or **Consulting**:

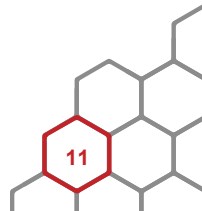
#7: "To do it well you need to focus on a few sophisticated techniques and do them well"

Ratings by Respondent Group



■ Focus on a narrow set of sophisticated techniques was not seen to be associated with only either Market Research or Consulting

■ Pharma see this focus and sophistication more with Consultants than with Market Research





Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

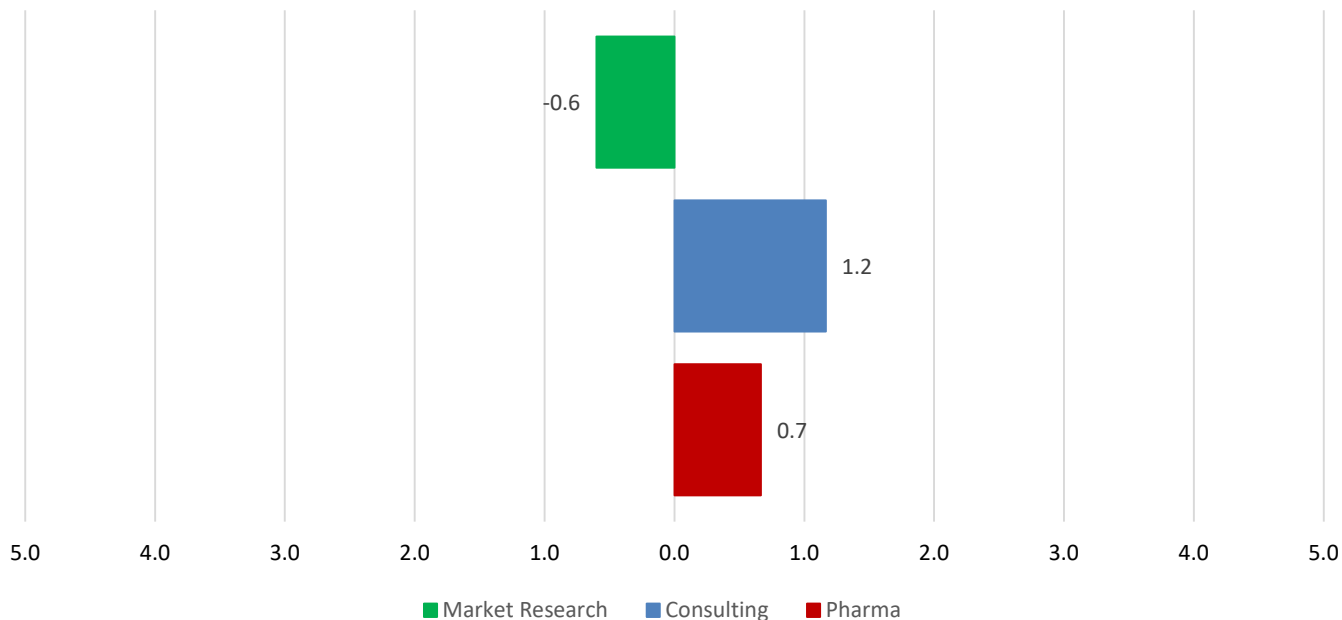
#8: "This is about finding out 'the truth'"

Ratings by Respondent Group

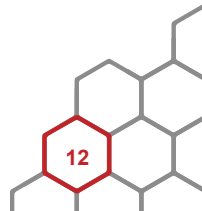
Market Research

Both

Consulting



■ The objective of 'finding the truth' was overall associated with both, Market Research and Consulting

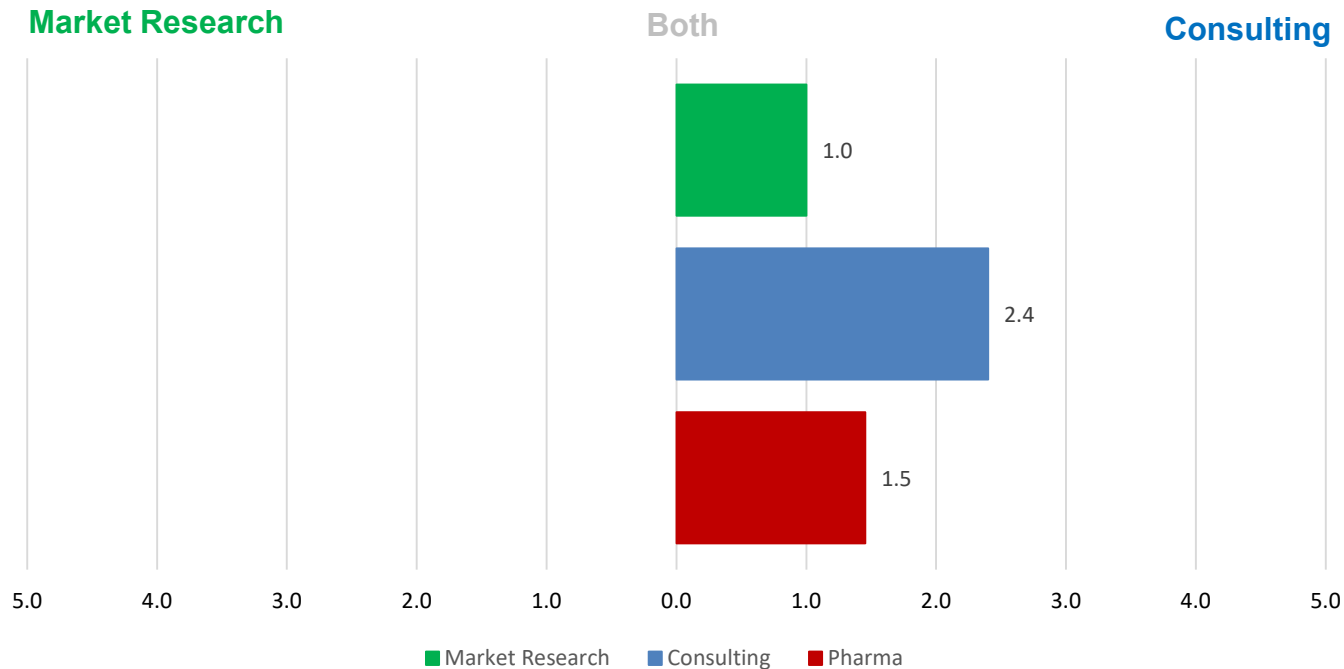




Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

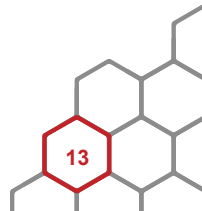
#9: "This is about informing recommendations for business decisions"

Ratings by Respondent Group



■ Everyone agreed that informing business decisions and recommendations is more associated with Consulting than Market Research

■ Consultants agreed more with this statement than Market Researchers





Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

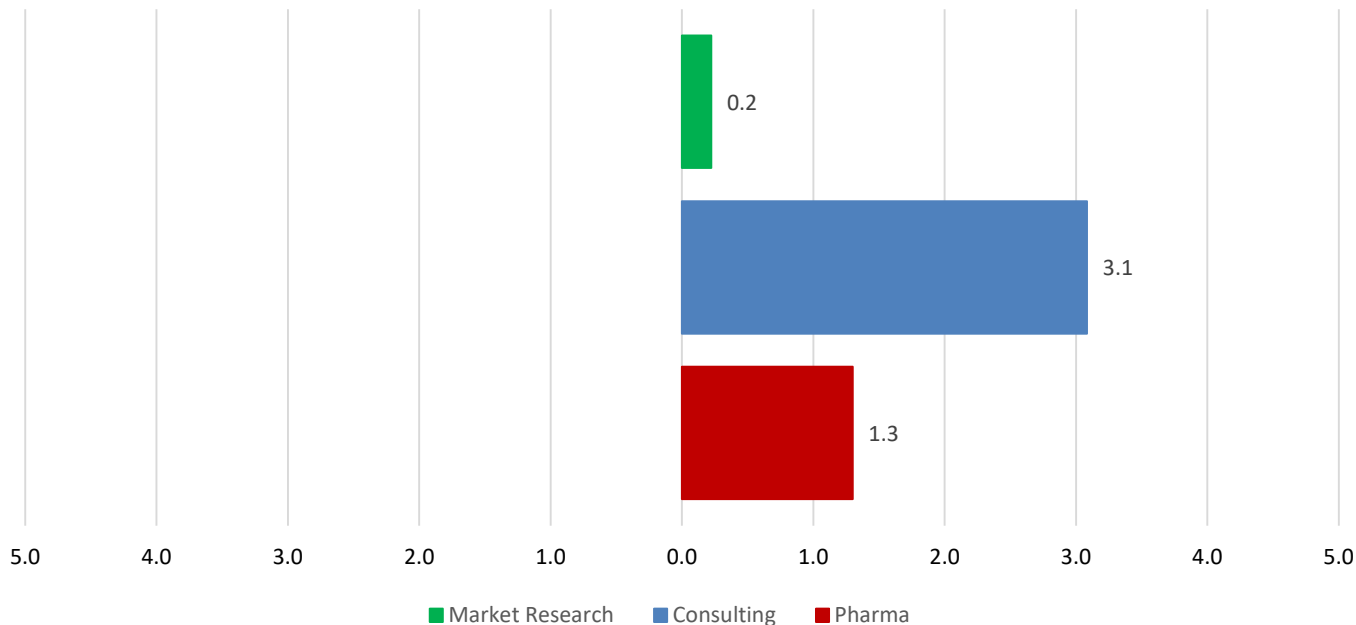
#10: "This is about the 'So what?!'"

Ratings by Respondent Group

Market Research

Both

Consulting



■ Consultants don't think that Market Research is about the So What?!

■ Market Researchers say this is as much on their agenda than it is on Consultant's agenda



Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

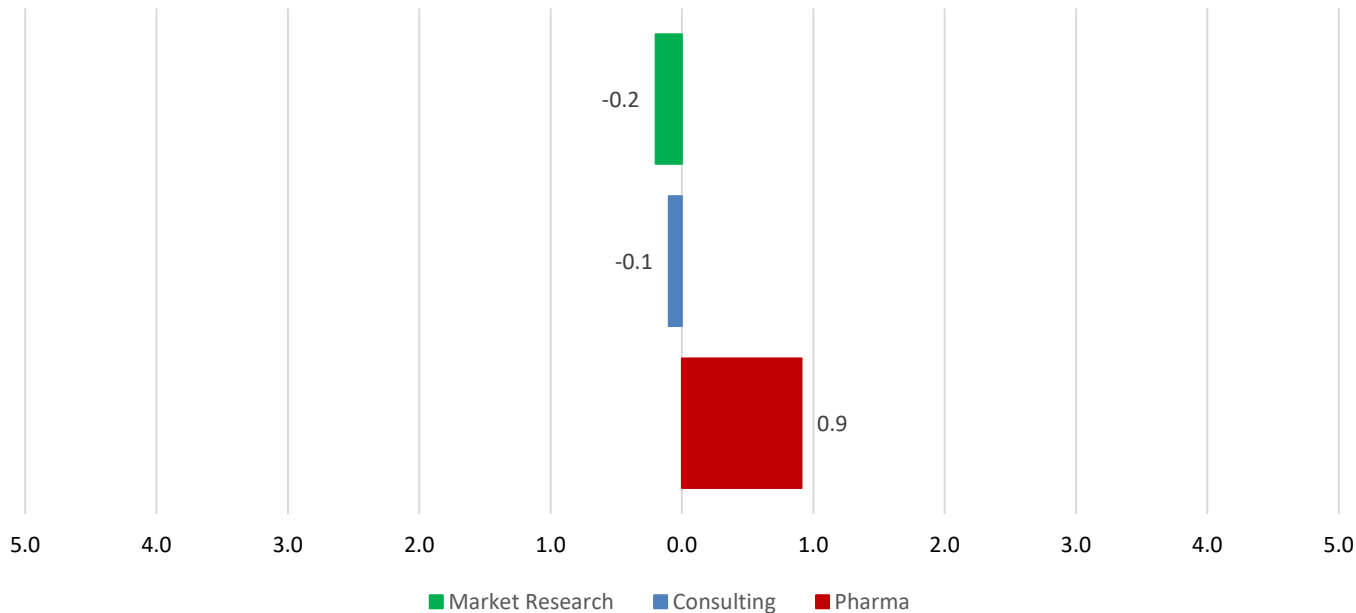
#11: *"It relies much on data and analysis"*

Ratings by Respondent Group

Market Research

Both

Consulting



■ All parties agree that data and analysis is an underlying building block for both Market Research and Consulting



Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

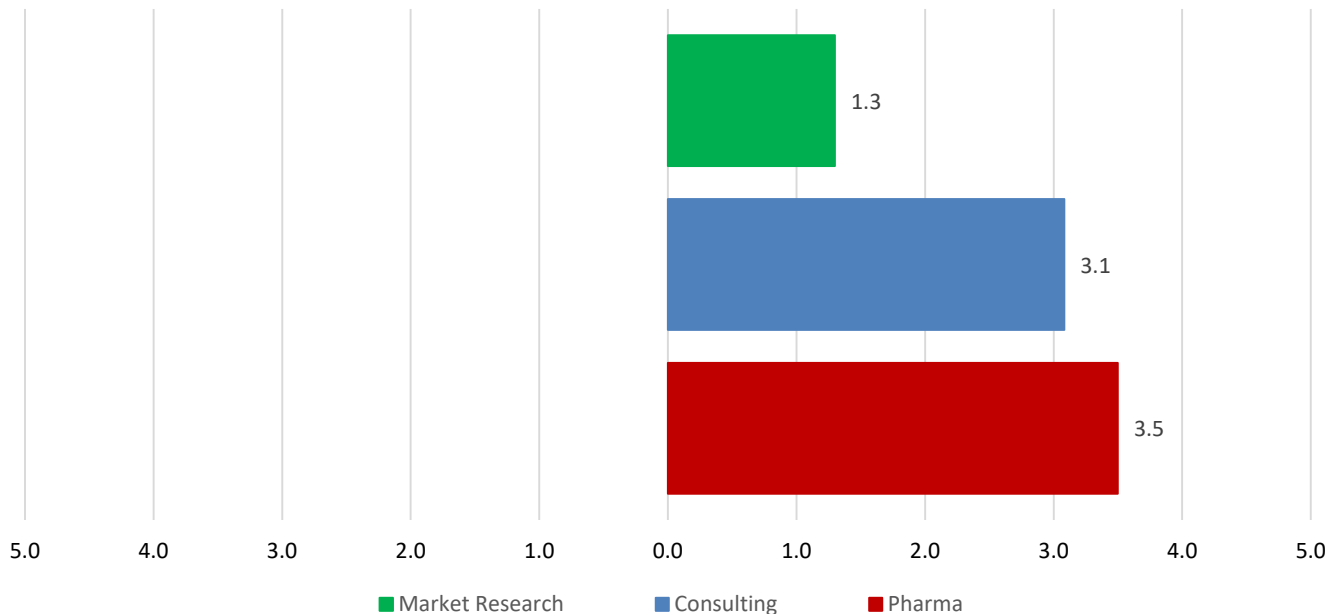
#12: "It relies much on industry experience and knowing 'what works'"

Ratings by Respondent Group

Market Research

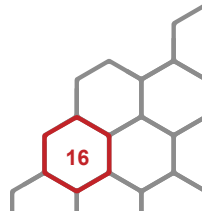
Both

Consulting



■ Industry experience and knowing what works is very strongly associated with Consultants

■ Market Researchers agree but not to the extent Consultants and Pharma do





Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

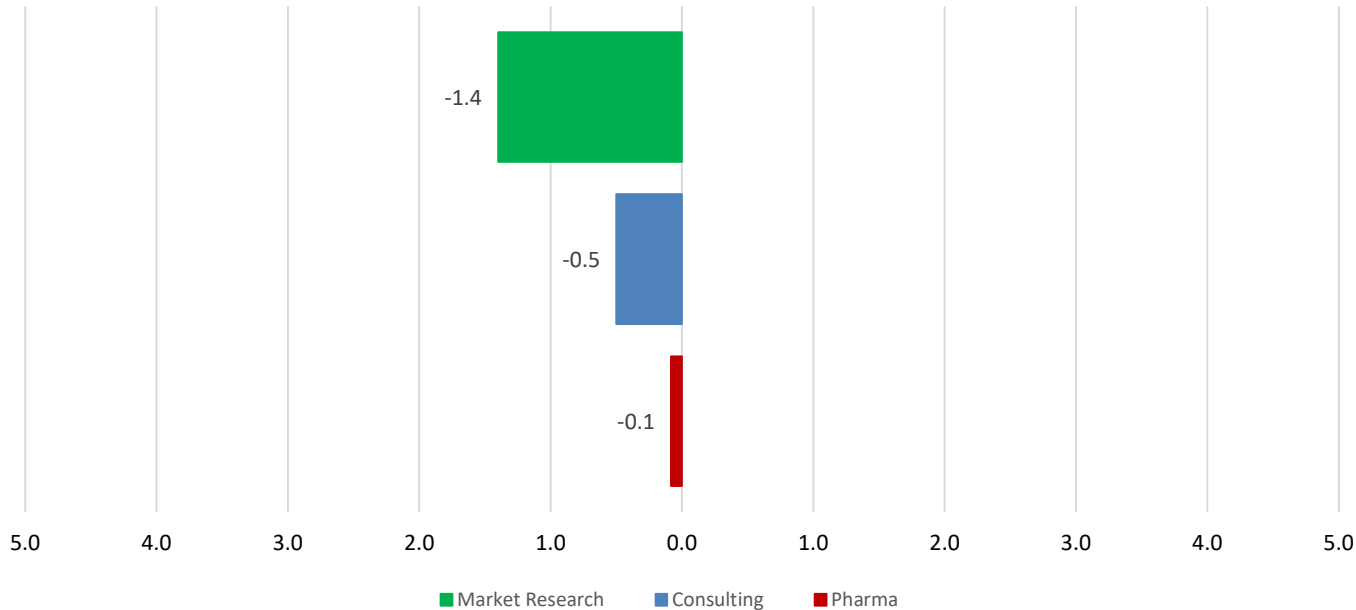
#13: "Excellence in technical execution"

Ratings by Respondent Group

Market Research

Both

Consulting



- Market Researchers believe that excellence in technical execution of a project is seen to be associated more with them than with Consultants
- Consultants to some extent agree but see the association more with both
- Pharma believes this must be attributed to either faculty in the same way





Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

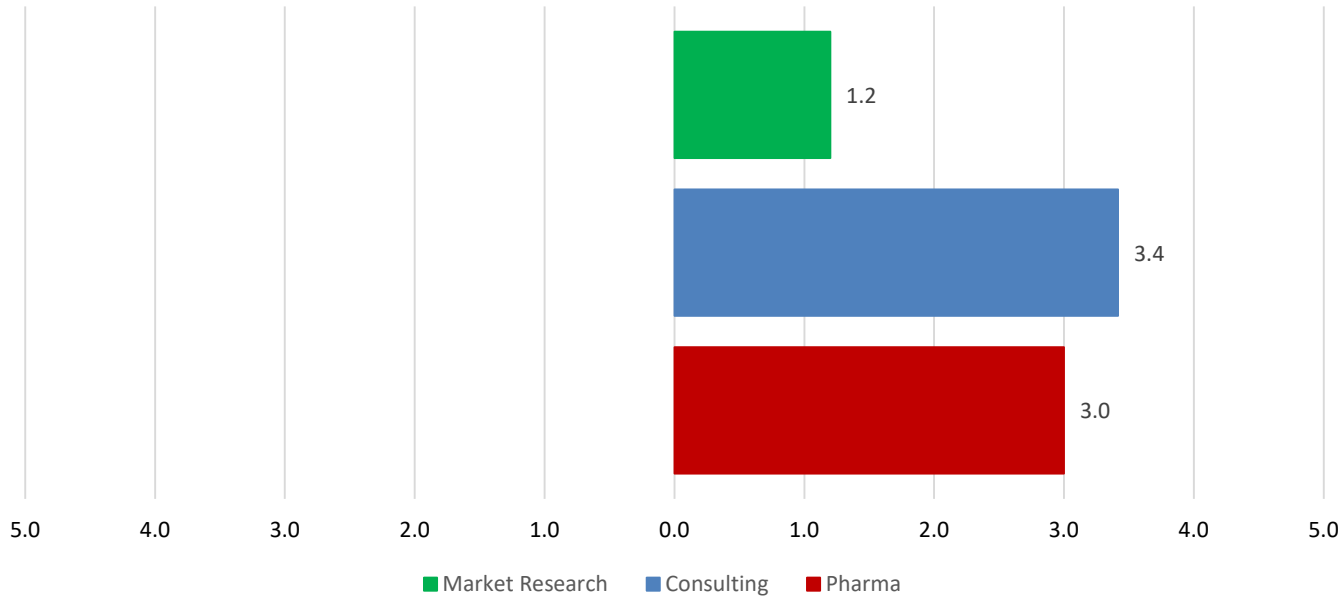
#14: "Excellence in business guidance"

Ratings by Respondent Group

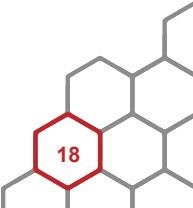
Market Research

Both

Consulting



- Consultants see themselves more in a role of guiding business than Market Researchers
- Pharma agrees very much and Market Researchers agree too but also see this not too far away from what they are trying to achieve





Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

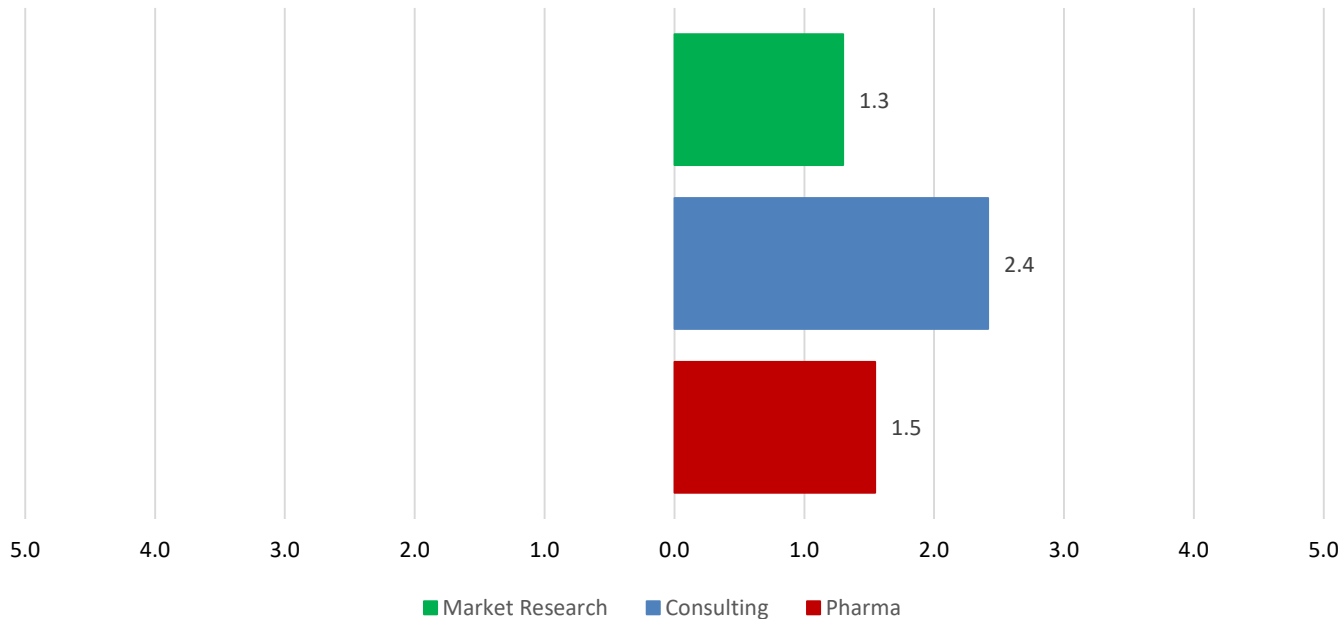
#15: "To give it weight you need industry experience"

Ratings by Respondent Group

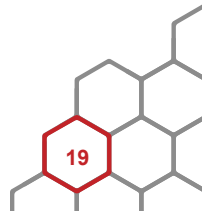
Market Research

Both

Consulting



■ Industry experience underpins Consulting – all agree





Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

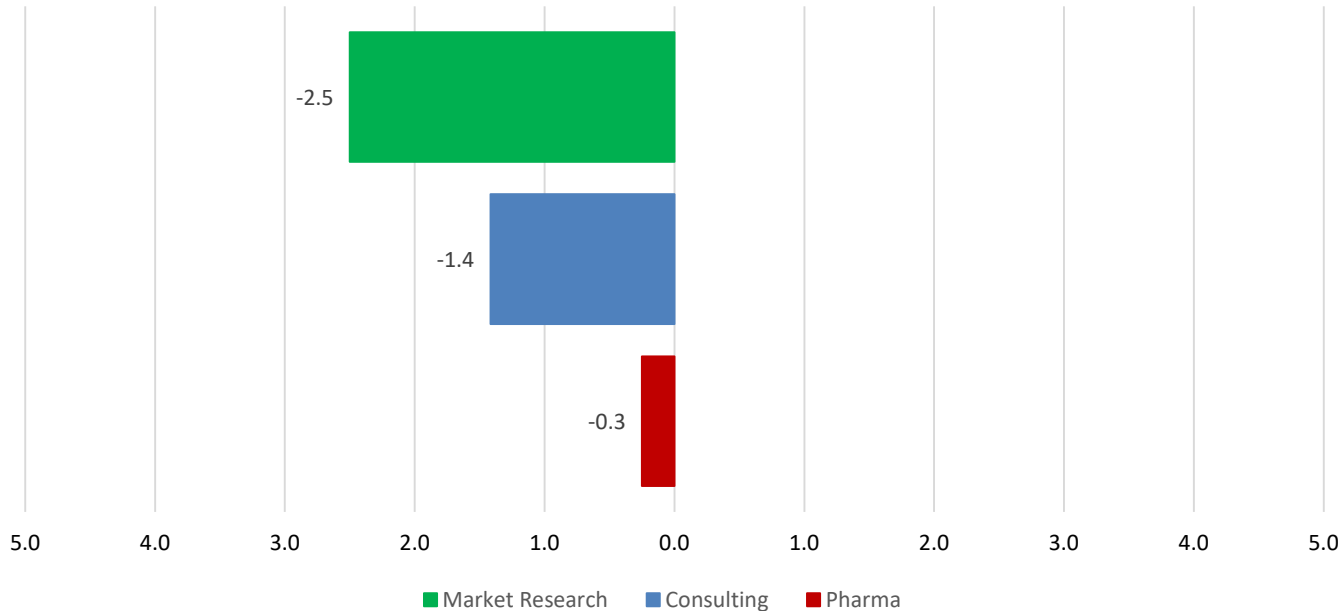
#16: "To give it weight you rely on sample size and methodology"

Ratings by Respondent Group

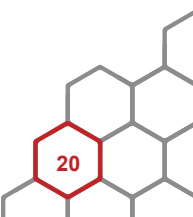
Market Research

Both

Consulting



- Sample size and methodology underpins mainly Market Research – Market Researchers and Consultants agree
- Pharma sees sample size and methodology being equally important to both

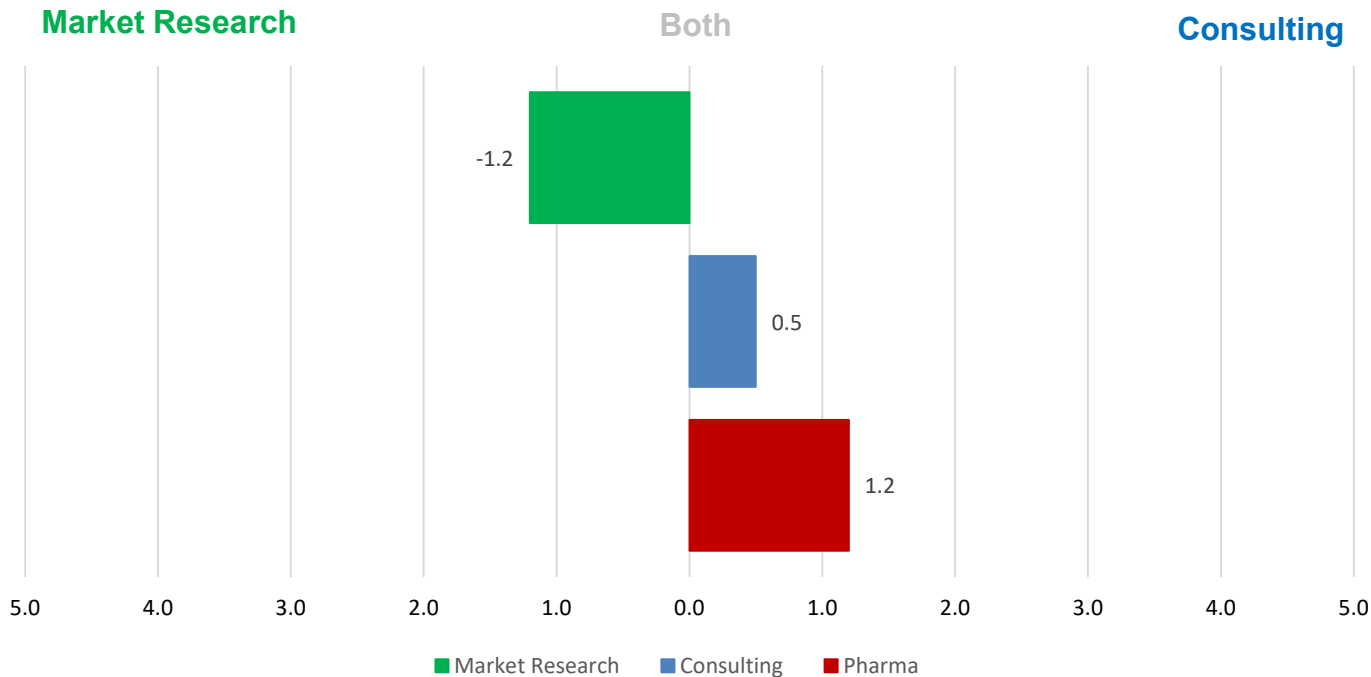




Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

#17: "It's good value for money"

Ratings by Respondent Group



- There is no conclusive view on whether Market Research or Consulting is better value for money
- There seems a natural bias towards assuming better value for money from professionals with the same background as oneself
- Pharma may be leaning very slightly towards Consultants for 'value for money'



Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

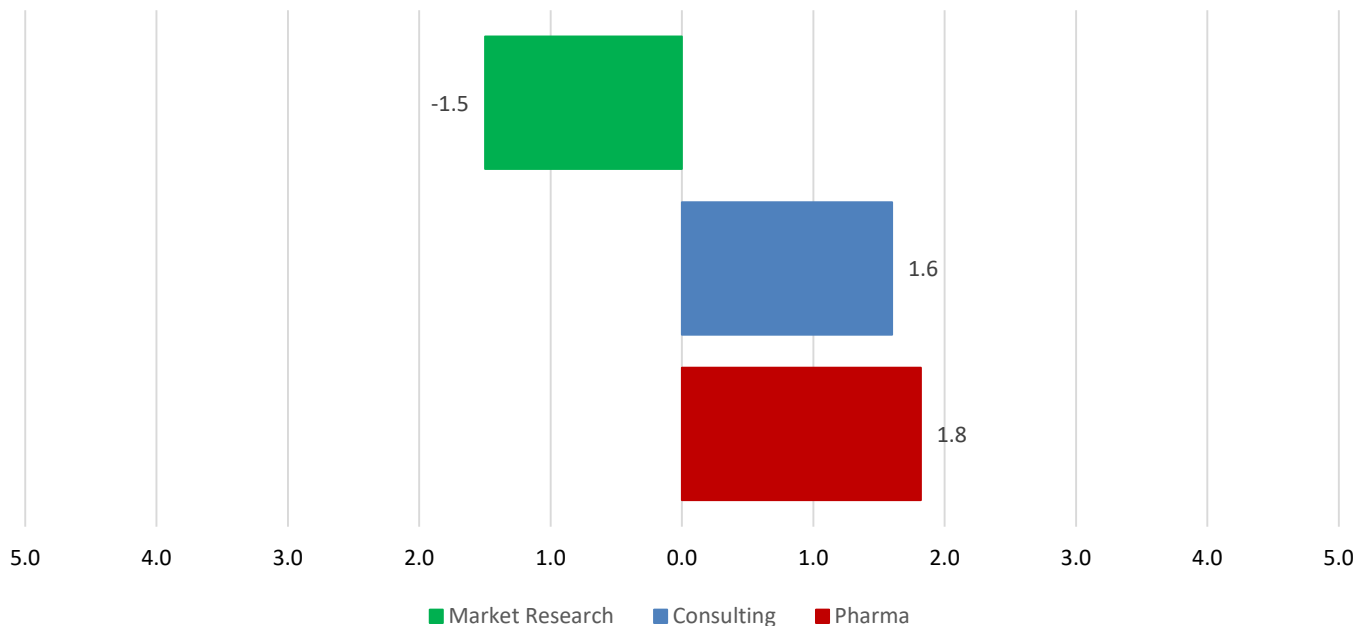
#18: "I trust the people"

Ratings by Respondent Group

Market Research

Both

Consulting



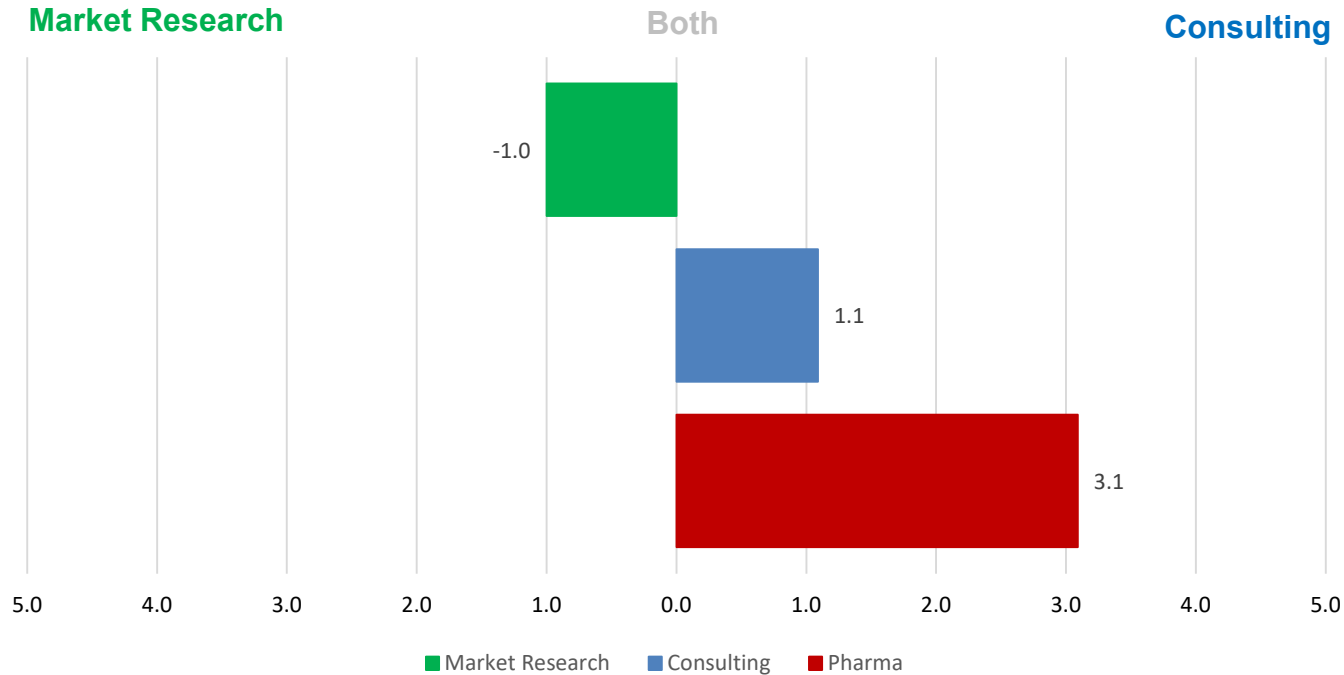
- There is no conclusive view on whether Market Researchers or Consultants are more trusted
- There seems a natural bias towards trusting professionals with the same background as oneself
- Pharma may be leaning slightly towards Consultants in terms of trust but the signal is not very strong



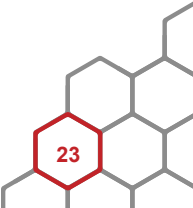
Indicate whether you associate the following statement more with either **Market Research** or **Consulting**:

#19: "Projects are collaborative with many points of interaction"

Ratings by Respondent Group



While Market Researchers and Consultants associate collaboration and frequent client interaction fairly equally with each other, Pharma believes this is mainly what Consultants do





Indicate whether you **agree** (slider to 10) or **disagree** (slider to 0) with the following statement:

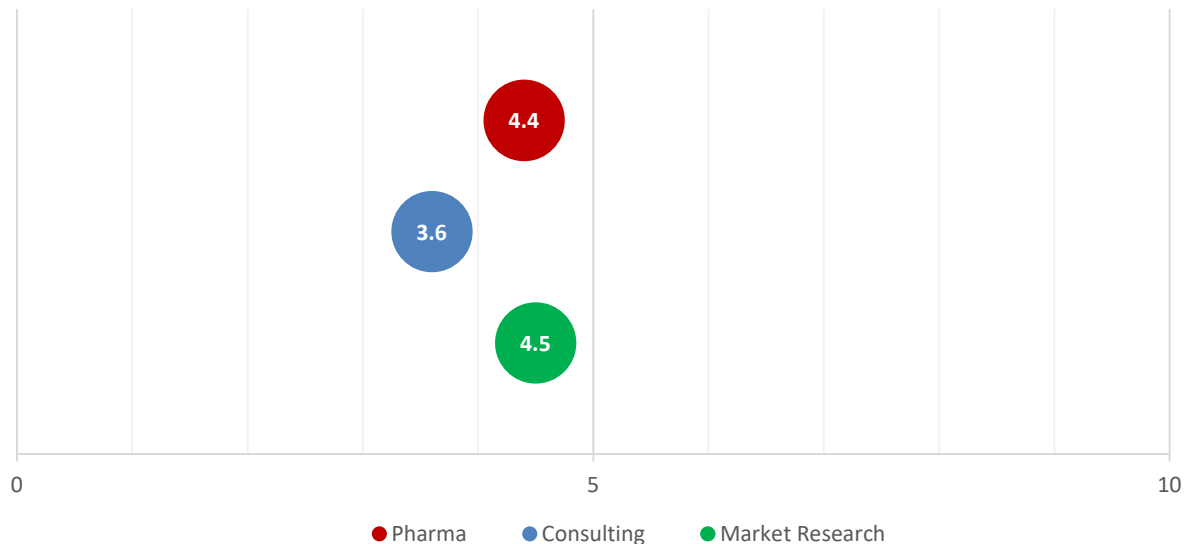
#20: "Market Research and Consulting have nearly the same meaning today"

Ratings by Respondent Group

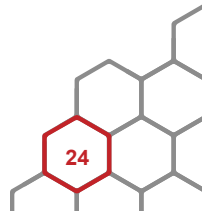
Disagree

Neither Disagree nor Agree

Agree



- Respondents on average did not decisively agree or disagree with statement #20
- However, all three groups leaned towards not agreeing with Market Research and Consulting having a similar meaning
- Consultants disagreed with the statement the most





A majority of respondents thought there was a difference between MR and Consulting today – some underlined the synergies, Pharma respondents pointed to project purpose driving agency and team choice

Selected Views by **Pharma** Respondents only

Selected Quotes – Question #20

Where is the difference in meaning for you between Market Research and Consulting?

“Market Research is more about the customer voice and identify actionable insights. Consulting can use market research as an input, but it is more about business problem identification and solution identification which could include organisational or process problems, not just customer questions.” – Large EU Pharma, Global Forecasting, >22 Years Industry Experience

“Market research is conducting a study to address a particular issue with a particular methodology. Consulting requires adding in knowledge from multiple sources (primary or secondary) to create a solution. Most of your questions are not either/or - you can have excellent market researchers with many skills and excellent consultants but the output is different.” – US Biotech, Director Product Strategy & Commercial Planning, >20 Years Experience

“I have never considered the two terms, professions, activities, ..., to mean the same. MR, to me, is more technical and focused - it's about digging deep for insights, such as underlying behavioural drivers and barriers, making sense of data by connecting the dots to find patterns or disconnects to be considered as levers for strategy creation, and measuring the value of strategies/tactics implemented as part of performance improvement cycles (among others). Consulting, I see more as bigger picture thought partnership for development of strategic options, or in some cases end-to-end project management for specific questions that cannot be handled with internal resources. MR delivers the foundation (insights) and assessments (value measures), consulting fuses these outputs into meaningful strategic options.” – Large EU Pharma, Director Scientific Communications, >15 Years Industry Experience

“Market research is a social science, based on robust sample sizes. Consulting can spread the insights net wider and take a breadth of inputs for secondary, KOL as well as primary information.” – Large EU Pharma, > 20 Years Experience, ex-GfK



Market Research respondents highlighted the factual nature of market research techniques....

Selected Views by **Market Research** Respondents only

Selected Quotes – Question 20

Where is the difference in meaning for you between Market Research and Consulting?

“Really don’t think there should be much difference these days. We’ve been trying to make MR much more ‘consultancy’ based for YEARS and MR agencies call themselves consultants but this depends on whether the client actually TREATS them as consultants. I’ve been around a long time and I’m hoping that the old way of wheeling in the MR agency person to present and then not involving them in the business impact has long gone but maybe not?!” – European MR Industry Association, >20 Years Industry Experience

“Market Research uses skills and techniques to understand and gain information on behaviours, trends, perceptions and potential scenarios. Consulting uses that information provided by MR to develop strategies and action plans.” – Independent Market Research Associate, Spain, >20 Years Industry Experience

“The two are complementary. Primary research is collecting the views of respondents on what they think, observe, and do (to a certain extent given some of them tend to sometimes embellish the reality), secondary research is making searches from different Internet-based sources to collect data and providing an analysis of all of this (when both primary and secondary MR are requested, which is rarely the case in reality). Consulting is more using primary and secondary market research PLUS other sources (Internet and non-Internet-based) and personal knowledge to provide an analysis. And the differences are also very practical: MR is not done by the same people and they mostly focus on facts from primary MR, very rarely on secondary research + their knowledge of the industry is limited most of the time. MR is more rigid while consulting is more flexible” – European Market Researcher, >20 Years Industry Experience



Consulting respondents focussed on the strategic direction and recommendations added by the consulting process building on MR

Selected Views by **Consulting** Respondents only

Selected Quotes – Question 20

Where is the difference in meaning for you between Market Research and Consulting?

"I see MR and consulting as two parts of the same project - to be effective and bring about change you need both. MR (which I think is now better referred to as analysis) is the start of a project designed to address a business issue, finding out the current situation and likely direction of travel. Consulting is the later part, where you develop a strategy for a brand and company based on your unbiased market and business understanding. The same skills (many of which were in the survey statements) are needed for both. In my experience the best consultants are also the best market researchers, but they are usually a little more senior with a bit more experience, so simply see the implications a little faster and are better able to see both ends of the project." – UK Consultant, >20 Years Industry Experience

"Market research always includes evaluating feedback from the market and/or those being marketed [to] in some way. Normally, that feedback is new to the ultimate client. Consulting doesn't. It may require no new information to the client at all. Though, some consulting is also market research, that is not true for all consulting." – US Consultant, >15 Years Industry Experience

"It think it depends on the project and the consulting firm. Even firms like LEK, Clearview or Health Advances get used as "Market Research" as well but for different types of projects. The ATU studies are purely given to pure play market research firms. TPP development and clinical input needs more of a commercial consulting firm. McKinsey/BCG/Bain don't do as many projects for the middle management brand or commercial leadership. They get more higher level projects. I wouldn't say all their projects are always high value or strategic in nature but they often do the scenarios for major M&A work. The Clearviews do the TPP testing for forecast generation and the Simon Kucher's get the pricing due diligence or firms like CBpartners. Overall, the biggest difference I've seen between consulting firms is the quality of the people and how they structure their deliverables. Pure play market research firms mostly do generic give me the answer straight forward projects" – US Consultant, >10 Years Industry Experience



Consulting respondents focussed on the strategic direction and recommendations added by the consulting process building on MR

Selected Views by **Consulting** Respondents only

Selected Quotes – Question 20

Where is the difference in meaning for you between Market Research and Consulting?

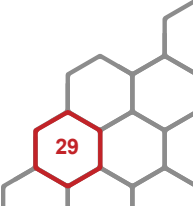
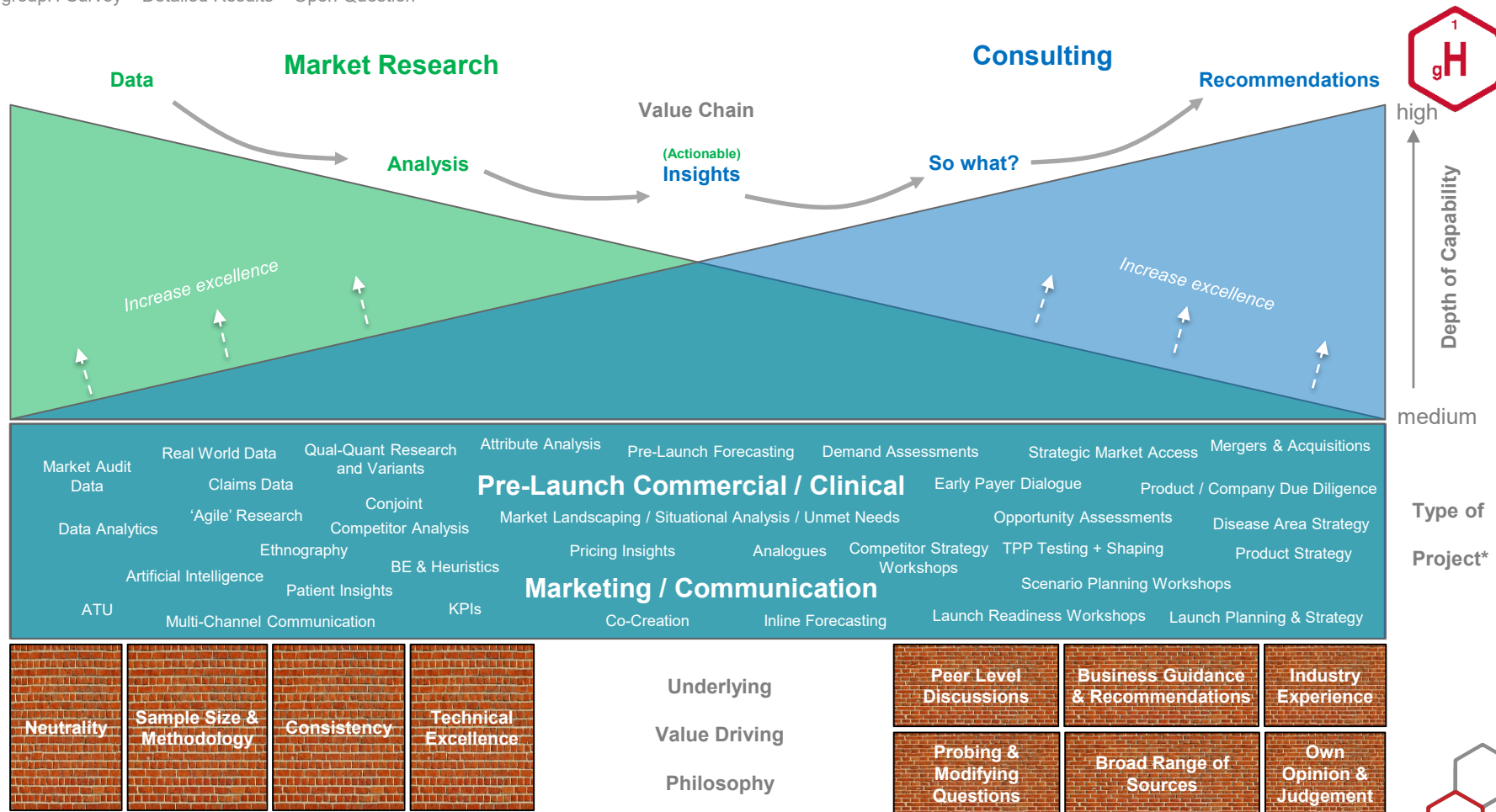
“Consulting implies a greater degree of understanding of the client's background - business, strategy, operations etc” – UK Senior Independent BizDev Professional, >20 Years Industry Experience

“MR generates data reflecting the momentary perception of a given population to one or more clear cut rigid questions Consulting may utilise or include some MR results. It differs from MR in that it explores and challenges the perceptions of a given population. Its objective is to develop or guide the development of operative or strategic options / direction and ultimately to support their implementation.” – Germany, Senior Independent Strategy Consultant, >20 Years Industry Experience

“Market research: conclusions from the numbers; little insight Consulting: Using the numbers and deep experience to inform conclusions and recommendations” – US Market Access Strategy Consultant, >20 Years Industry Experience

“Market Research is answering the questions you were asked to answer. Consulting is using Market Research to analyse and guide” – French Market Access Strategy Consultant, >25 Years Industry Experience

“One gives insights the other tells you what you should do with those insights, why and how” – UK Life Science Strategy Consultant, 15 – 19 Years of Industry Experience





Conclusions

We were not really surprised about the differences in some of the statement associations between the different respondent groups – still, while historically Market Research and Consulting come from different places in the way each believes it adds value (and the outputs it develops), there is a big overlap in processes and techniques

Anecdotally, there still appears to be somewhat of a trade-off between either Market Research or Consulting excellence depending on which agency or team is assigned to a project

Specific projects are best assigned to the agency where the type of output required matches the agency's positioning and experience along the value chain from Market Research to Consulting

When the *best-of-both-worlds* is required, due to the time it takes to perfect one's skills in a number of disciplines and to build a robust foundation of industry experience, only integrated teams are likely to deliver on both, technical MR excellence and subsequent high-quality recommendations



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