

## W5 on Strategic Tracking Research

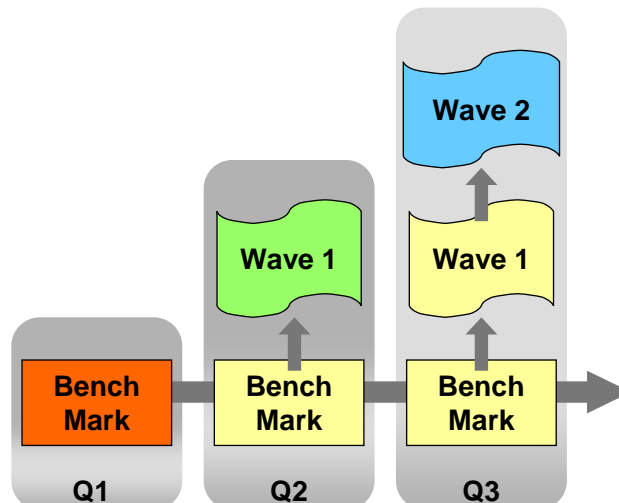
*Strategic Tracking Research, commonly referred to as simply “tracking,” enables evaluation of a series of metrics over time to understand changes and permits analysis of trends, evaluation of past activity, and prediction of the likelihood of future activity.*

*Tracking studies are typically associated with brand, advertising, or strategic business measurement and address such topics as: brand equity, awareness, recall, consumer product opinions, category attitudes, consumer behavior, loyalty, and likelihood to purchase.*

### Strategic Tracking Research

W5 views strategic tracking studies as the business equivalent of taking your temperature or reading your pulse. These initiatives are specifically conducted to monitor the performance of a brand or advertising campaign *over time* and are typically conducted in periodic “waves” of research. Tracking may be done *continuously* (e.g., a certain number of interviews per week) or *periodically* (e.g., in widely spaced waves over a quarterly, bi-annual, or annual basis). Tracking may be conducted with target groups of consumers or business constituents. The main goal of tracking is to gather data that will assist in the evaluation of the impact of on-going changes that may result from implementing new advertising, promotions, line extensions, competitive activities, news articles, or other external environmental sources. Strategic tracking analysis provides clients with the opportunity to take appropriate proactive managerial action based on the changes occurring in the environment uncovered from measuring one period to another.

Figure 1: Strategic Quarterly Tracking Research Flow



Strategic tracking initiatives can address a variety of different topics of importance to a company. Two of the most commonly conducted tracking initiatives are *brand* and *advertising* related. The components of brand equity (brand awareness, brand identity, brand loyalty, perceived quality, market share, etc.) and advertising (unaided/aided ad awareness, ad recall, receptivity, impression, opinion, message retention, emotional/physical affects, etc.) are measurable and quantifiable. By setting measurable objectives for these components and tracking the results of programs designed to achieve those objectives, component performance may be systematically improved and brand equity or advertising effectiveness will increase.

- *Brand Tracking*

Conducting brand tracking enables identification of emerging issues and trends and establishment of relationships between actions and market response. A tightly structured brand tracking system may act as an effective business management tool for directing resource allocation and prioritizing marketing actions. This tool will yield quantitative, “projectable” research of target constituent groups (consumers and/or B2B constituents) that:

1. Tracks current and emerging trends, in order to manage the current customer base
2. Predicts needs, expectations, and purchases, so that growth may be planned
3. Identifies what programs work and which ones do not
4. Identifies top-ranked functional purchase factors and higher-level emotional attitudes

Additionally, the focus on customer (consumer or B2B constituent) brand perceptions will facilitate the mapping of areas of opportunity and unmet needs with regards to the brand.

- *Advertising Tracking*

Ad tracking (also known as ad effectiveness tracking or pre/post testing) monitors an advertising campaign’s performance including ad awareness, product trial and usage, perceptions of advertising executions, and attitudes about the ad’s respective brand versus the competition. The purpose of ad tracking is generally to provide a measure of the combined effect of the media weight or spending level, the effectiveness of the media buy or targeting, and the quality of the advertising executions or creative.

Some more recent forms of advertising tracking focus on the relative performance of the ads versus the competitive ads that are airing at the same time. As new advertising copy is introduced, or as new competitive copy is introduced, tracking can be an important source of learning and gaining feedback for strategy evolution, advertising improvement, and evaluation of media weight levels. Additionally, an ad tracking initiative can be structured and analyzed to monitor the relationship between brand image and media investment (ROI).

## How Is Strategic Tracking Research Conducted?

There is no one acknowledged, correct way to conduct tracking. One of the biggest problems with standardized tracking studies is that they are not designed with the client's specific goals or strategy in mind. A "one size fits all" research approach often does not provide enough detail to adequately determine success.

W5 believes in creating customized research solutions that are tailored to match a specific business requirement and provide guidance, not just reporting. Agreement on the goals of the campaign is the first step in designing a customized measurement; once the areas of focus are agreed upon, the measurement can be adjusted accordingly to ensure it continually captures and delivers the in-depth information needed to reach the specific goals. Because not all programs are designed with the same end in mind, it is important that your tracking research take into account all the rational, emotional, and psychological factors that can impact a consumers' behavior.

Some business strategy questions tracking research can address may include:

- *How is the brand's awareness trending over time, relative to competition?*
- *How is the brand's image evolving over time?*
- *What messages do consumers/constituents remember about the ad, and how do their impressions of these messages change over time?*
- *What variables define the optimum target market?*
- *What impact are your competitors having in the marketplace, and how are competitive activities influencing the consumer/constituent in relation to your brand or product?*

Strategic tracking may also be used to:

- Test the effectiveness and appropriateness of marketing strategies
  - Evaluate the success of creative executions
  - Test the effectiveness of media plans
  - Assess the marketing mix
  - Find barriers to purchase
  - Focus specifically on brand loyalty
  - Focus specifically on perceived quality
- *Specialized Populations*

W5 is highly proficient in conducting strategic tracking research with specialized populations of consumers and/or business constituents. W5 utilizes focused and customized pre-targeting and screening techniques to collect quality responses from targeted audiences. W5 works with "best of breed" data collection partners to reach potential respondents through multiple sources. This technique allows for easier acquisition of low incidence groups within the target, ensuring that participants are representative of the target audience.

W5 is equally adept in conducting strategic tracking research with consumers and B2B constituents.

- Online Survey Methodology

W5 typically recommends conducting strategic tracking research using an online methodology, distributing programmed questionnaires to targeted respondent bases. This approach offers a high quality, cost-effective structure by replacing more labor-intensive traditional methods, and enables data collection from broad and diverse audiences, maximizing client marketing and research dollars.

The ability to conduct online research becomes increasingly important as cooperation rates among offline survey participants decline. W5 is able to quickly obtain information from highly targeted segments at a cost and level of quality unavailable through conventional methodologies. Questionnaires of various lengths, complexity, and question types can be programmed, incorporating graphics and multimedia files.

- Mobile Survey Technology

When appropriate based on the specific study objectives and data collection logistics, W5 works with “best of breed” data collection partners to conduct surveys via mobile wireless devices (including wireless phones, “smart phones,” PDAs, tablet PCs, etc.). Extending the immediate reach of the mobile device to survey participants imparts key benefits, including rapid data collection and high response rates. Our mobile survey solutions render surveys uniquely to each device, so that the display qualities are optimized for the best survey experience possible. W5 acknowledges the key feature of mobile communication is *connectivity* rather than *mobility*; our programmed mobile surveys are distributed and hosted from reliable servers, further ensuring the quality of the respondents’ survey experience.

- International Tracking Research

W5 possesses a core competency in the design, implementation, and reporting of international research studies. W5 is experienced at handling the myriad of components and issues surrounding the execution of international tracking studies and the analysis of international tracking data.

W5 work with “best of breed” data collection partners in international markets (including, but not limited to Europe, Asia, Mexico, India, Australia, South America, the Caribbean, and the Middle East) to execute strategic tracking studies. W5 consultants serve as “hands on” project managers to coordinate the complex factors that affect the logistics of conducting international research:

- Language translation and back translation for surveys, fielding documents, data files, verbatim responses, etc.
- Bi-lingual project management (either a W5 consultant or an experienced and trusted bi-lingual project coordinator from the partner company)
- In-market management by W5 consultant, when appropriate
- Management of currency exchange rates
- Quality control measures taken to ensure appropriate management
- Understanding of local socio-economic stratification and key differences that exist in international markets in terms of demographics
- Culturally-based variation in use of quantitative ratings scales and other value responses

W5 is adept not only at managing the logistics of international research, but also in analyzing and reporting on results yielded from international tracking studies. Analysis of international tracking data takes place at three inter-related levels: worldwide, regional, and by country:

- Worldwide analysis allows for assessment of overall results for all countries and comparison of those overall results to the results for each region and country.
- Regional analysis permits evaluation of total metrics within each specific regional grouping, based on geography, strategy, etc.
- Responses from respondents of specific countries will also be compared to each other to assess within-country nuances and responses and across-country differences.

### ***Potential Strategic Tracking Research Objectives***

Specific objectives for a strategic tracking research initiative may include:

- **Brand Tracking**
  - Monitor the overall health of a brand on an ongoing basis
  - Track the brand health for a Client and its competitors along the following measures:
    - Brand awareness (unaided, aided), brand familiarity, brand consideration, brand perception, brand preference, brand usage, brand loyalty, brand momentum, brand personality
    - Competitor brand perceptions
    - Consumer behavior (or B2B constituent behavior) regarding product or category
    - Benchmark the brand against the competitive set in various countries and geographical regions
    - Assess initial overall performance of the brand in various countries and geographical regions
- **Advertising Tracking**
  - Measure and track advertising awareness over time
  - Determine awareness levels for the advertisement campaign across each media type (e.g., print, online, emerging media, and in-market events) among target consumers
  - Assess targets' perceptions of specific advertisements and brand personality attributes
- **Understanding and Comparing Consumption Context**
  - Assess Internet/technology/media usage, behavior, and perceptions
  - Understand the influence of various media outlets on the target audience within various countries and geographical regions

## Strategic Tracking Design

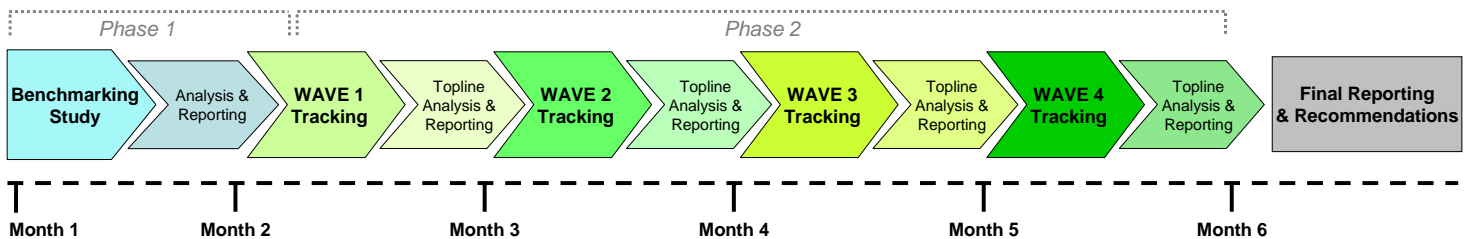
Strategic tracking of awareness, perceptions, and behavior delivers essential marketing intelligence to guide marketers through the rapid changes in marketing technology, media, and distribution channels. Monitoring the perceptions, attitudes, and behavior of consumers/constituents over time will reveal whether the cumulative force of all marketing activities is influential. Additionally, consistent tracking enables monitoring of the effects of specific marketing programs as they are introduced.

Tracking surveys vary widely in design and, depending on the overall strategy, may be conducted with the same group of respondents, a completely new group of respondents, or a mixture of both. However, normally the sample base should be made available to fairly generalized populations of target consumers/constituents, relaxing respondent screening criteria, as homogeneity of respondents is likely to result in responses with few significant changes reflected over time, contrary to the true purpose of tracking. An initial benchmark study is followed by periodic measurement and tracking of specific brand equity or advertising measures.

W5 typically recommends a minimum two-phase process: the first phase is a benchmarking study, which will provide measurements of awareness, perceptions, relevant behaviors, and intent prior to any marketplace shifts. These measurements will then be compared to data gathered in the second and subsequent phases and/or waves of research to fully understand the effectiveness of any marketplace manipulations.

For subsequent waves of research, W5 recommends conducting quarterly brand tracking studies to monitor the effects of the campaign and comparison of results over time. However, the number and timing of subsequent waves of tracking will be dependent upon, client needs, media or advertising schedules, product launch schedules, the specific strategic and research objectives, the availability of quality sample, and related factors.

Figure 2: Recommended Tracking Design



Tracking studies yield market insight not only across a span of time and data points, but also among consumers/constituents within the same time and data points. This is accomplished by examining whether and how the data and variations measured change from one point to another.

The most accurate and best tracking study results are gleaned when the questionnaire, research logistics, and data analysis are the same from wave to wave. The areas of questioning in subsequent waves of tracking must be parallel to those of the initial benchmarking wave and should not require revisions impacting cost and timing by more than +/-10%.

However, in a changing marketplace, new areas of inquiry and in-depth exploration may arise periodically. Though changes in the questioning may create unexpected changes in the tracking results, such requests are often inevitable. W5 is dedicated to working closely with the client if modifications, additions, or deletions are requested in order to ensure the integrity of the study stays intact. It is often possible to accommodate this by adding any necessary new questions to the end of the questionnaire, so the changes will not distort the key measures in the first 80% of

the survey. Placing any new or modified questions at the end of the questionnaire will also help the W5 analyst to consider the effects of changes in response due to the order of the questions.

An additional long-term threat to the accuracy and integrity of a strategic tracking study is gradualism. Small incremental changes in methods and procedures accumulate over time and gradually destroy the comparability of the tracking data. W5 recommends scheduling regular meetings with the client for coordination of logistics and implementation of specific quality control guidelines and standards throughout the research initiative.

### **Potential Areas of Questioning**

The areas of questioning to be addressed in the custom strategic tracking study vary depending on the business and research objectives, and will ultimately be refined and finalized in the development of the *Questionnaire*. This is typically an iterative process between the W5 consultants and the client, beginning with a first draft after attaining thorough understanding of the research objectives and ending with a final version that all parties agree upon.

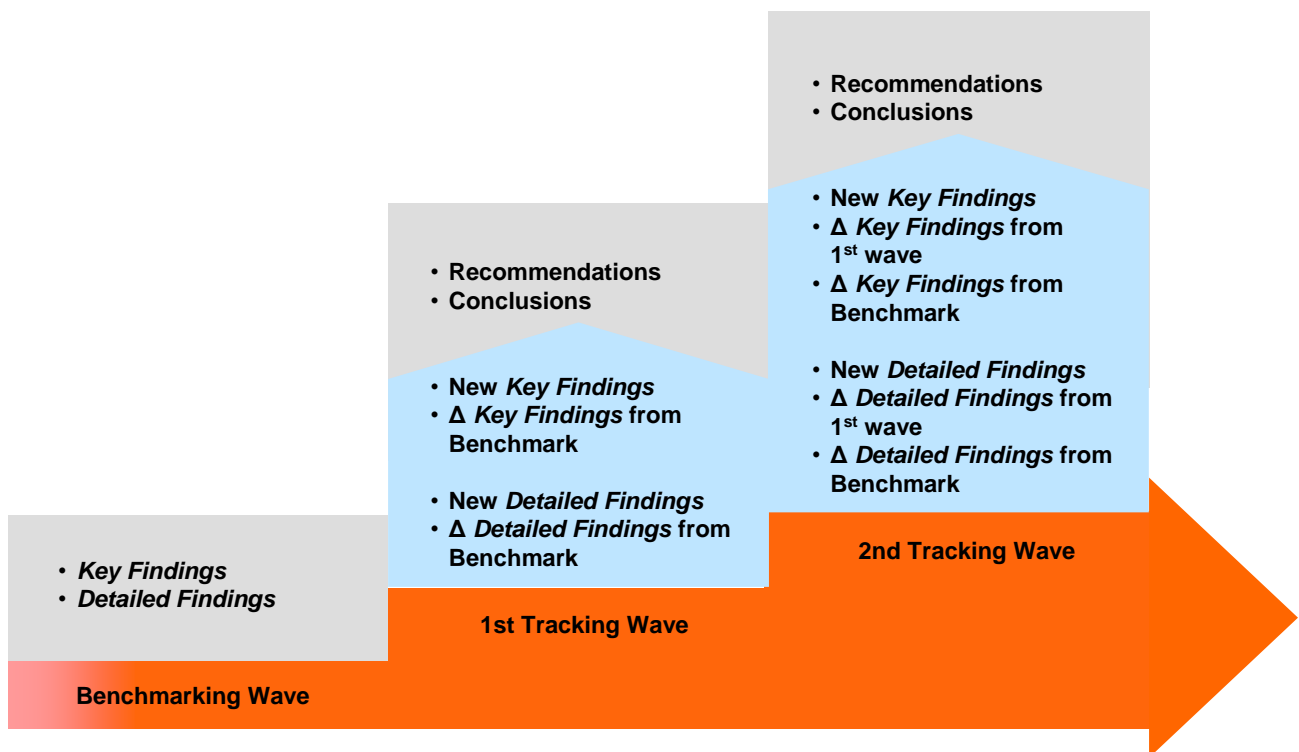
- Potential Brand Tracking Areas of Questioning:
  - *Brand awareness* - unaided (“top of mind”) and aided
  - *Unaided brand awareness* – Identification of what brands come to mind without a prompt
  - *Aided brand awareness* - Identification of brands respondents are aware of from a given list or specific, direct question
  - *Unaided brand preference* - Identification of respondents’ top three (3) brand choices
  - *Aided brand preference* – Identification of respondents’ favorite brands; Rating of phrases that describe respondents’ consideration of various brands; Rationales for brand preference
  - *Brand/advertising familiarity* - Rating of statements that represent respondents’ degree of familiarity with various brands
  - *Brand consideration* - Rating of likelihood to consider brand; Identification of brands respondents are most likely consider; Rating of likelihood to purchase brand
  - *Brand perceptions* - Rating of statements that represent respondents’ perceptions of various brands; Rating of perceived performance of brands against specific attributes (e.g., brand name trust, customer services, pricing, product variety, etc.)
  - *Brand personality* - Rating of statements that describe how the respondents would personify the brand
  - *Consumer behavior* - Identification of brands respondents have ever tried, have tried in the last three (3) months, and have tried in the last one (1) month; Rating of respondents’ agreement with statements describing frequency of brand trial
  - *Competitor brand perceptions* – Rating of agreement with statements that describe specific competitor brands; Ranking of major competitors
- Potential Advertising Tracking Areas of Questioning:
  - *Advertising awareness* - unaided and aided advertising awareness
  - *Unaided advertising recall* - Identification of advertising for brands respondents have seen or heard in the last month

- *Aided advertising recall* - Identification of advertising for brands respondents have seen or heard in the last month; Awareness of specific advertising messages and executions
- *Advertising element resonance* - Unaided and aided identification of advertising elements (e.g., messages, graphics, etc.)
- *Exposure to advertising* - Identification of where respondents saw or heard advertising for brands; Determination how regularly respondents have seen or heard advertising for brands
- *Advertising assessment* - Assessment of appeal, resonance, fit, etc. of the advertising executions and with the brand; Understanding the impact and effectiveness of various advertising channels, including print, outdoor, alternative/guerilla, online, viral, etc.
- *Purchase intent* - Measuring intent to purchase Client brand in the future; Determining effect of advertising and brand affinity on intent to purchase

### Analysis of Tracking Data

For each wave of strategic tracking research, W5 will thoroughly analyze study data to develop a *Summary Report* detailing all findings in depth, building a set of *Key Findings* illustrated with appropriate charts and tables. The *Summary Report* for each phase of the research initiative will build upon findings from previous phases:

Figure 3: Strategic Insight Gained Wave-by-Wave



## Reporting

W5 typically develops a full *Final Report*, thoroughly detailing the *Summary* data from the final or most recent wave of tracking and the results from each phase of the research engagement into relevant *Conclusions* and actionable *Recommendations* for the Client moving forward

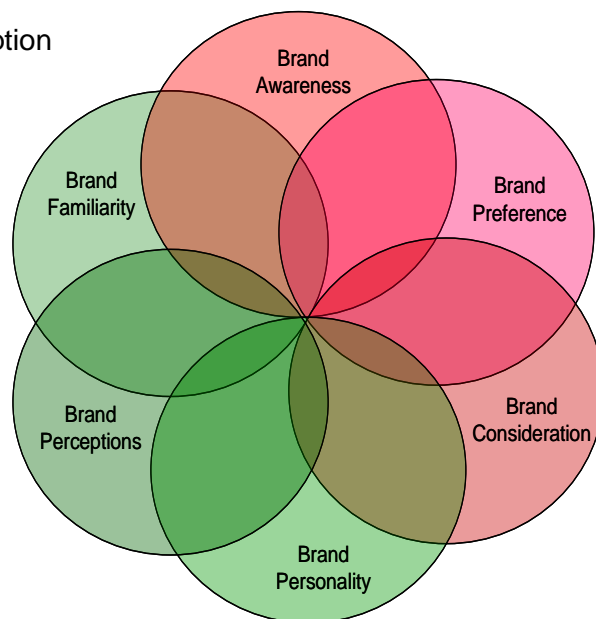
W5 analyzes tracking results in relation to the specific, stated research objectives and client needs. W5 can also report findings in conjunction with additional client business objectives. For example:

- In combination with relevant internal and external data sources to establish the relationship between brand health measures and market performance
- In conjunction with a segmentation scheme allowing identification of differences in subgroup response to the ad campaign or brand
- In a more granular scope to permit to permit evaluation of product categories and attributes and features of product performance
- Coupled with multivariate statistics in order to leverage it as a predictive modeling tool to predict future needs and purchase likelihood to help manage a company's productivity, as well as its marketing functions.

In relation to advertising, when the researcher considers the results of tracking research against information on when the ads were launched, the length of each advertising flight, the dollars spent, and the timing of when the research was fielded, the results provide an accurate rearview mirror look at the marketplace and how it has been affected by the advertiser's marketing messages and decisions.

In relation to branding, tracking analysis will focus on gleaning insight into the array of factors that converge to form a consumer or constituent's relationship with the brand, including:

- Overall brand awareness (unaided and aided)
- Overall brand preference (unaided and aided)
- Overall brand familiarity
- Overall brand consideration
- Overall brand personality
- Overall brand and competitor perception

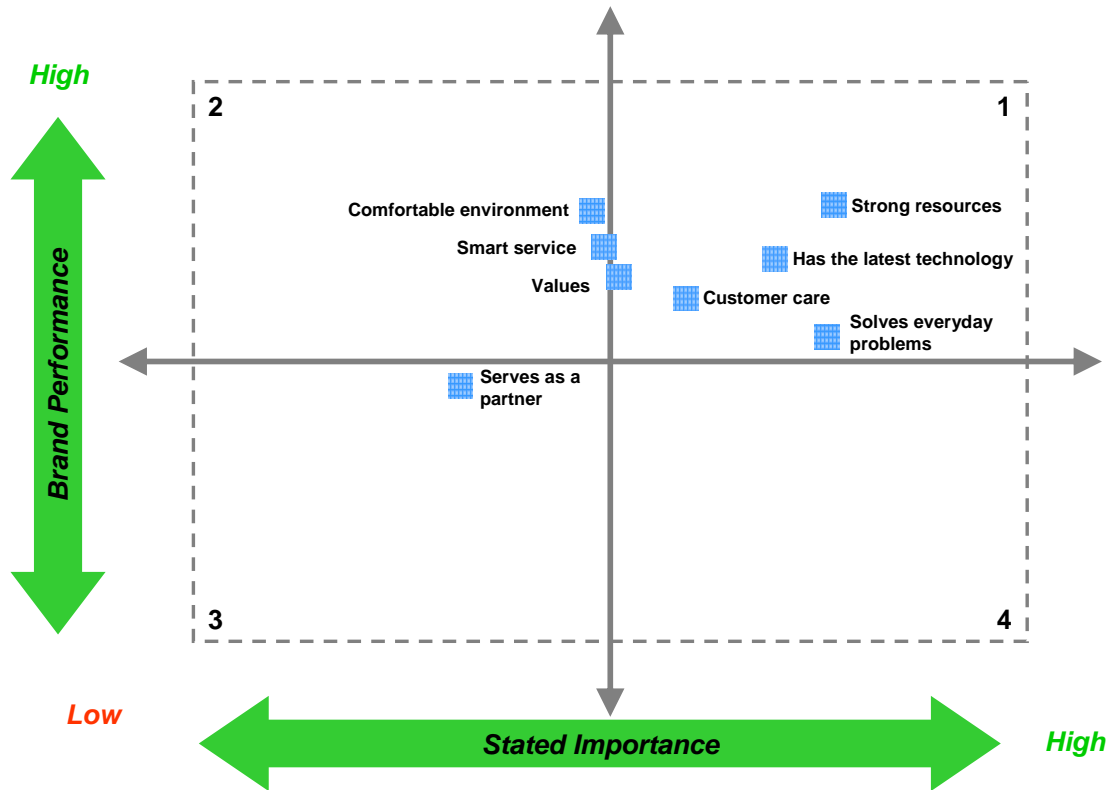


**Figure 4: Elements of Brand Perception**

## Perceptual Mapping

The data collected in a tracking study can be used to develop perceptual maps with which the Client can better understand the marketplace. An example of a perceptual map for a single wave of research is below. As with the other aspects of the research engagement, the perceptual mapping will be customized to suit the specific needs of the Client, business objectives, and research objectives. The example perceptual map below (for a single wave of research) highlights ratings of the Stated Importance of and Brand Performance for several specific attributes:

Figure 5: Example Perceptual Map



The attributes that fall into Quadrant 1 are the brand's strengths; these attributes are important to the consumer and the brand is rated highly for these attributes. These strengths can be **leveraged** to define and differentiate the brand. The attributes that fall into Quadrant 2 are unrecognized strengths, items the brand performs well on, though less important to the consumer. These unrecognized strengths of the brand should be **maintained** to differentiate the brand from its competitors.

Quadrant 3 is where unrecognized weaknesses fall - attributes that should be **monitored** to identify shifts of importance. These are less important attributes, but represent areas where the brand does not perform well and if importance shifts, these attributes may need to be improved upon. The brand's weaknesses are in Quadrant 4. These are attributes the brand can **improve** upon. These attributes are important to the consumer, but the respondents perceive the brand as not performing well in these areas. If performance is improved, the brand image should also improve.

Perceptual maps developed in subsequent waves of strategic tracking research may be compared side-by-side or sometimes overlaid with those of previous waves to present changes in perceptions over time.

## SWOT Analysis

Perceptual maps can reveal what is important to consumers or B2B constituents and where they perceive competitors in the marketplace relative to each other. This information, along with what is learned in the brand tracking, provides input to the SWOT analysis, a framework that will allow Client to focus on strengths, minimize weaknesses of the brand and take the greatest advantage of opportunities while warding off potential threats. The SWOT analysis addresses questions such as those in the following table:

Figure 6: SWOT Analysis Output

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• What are your competitive advantages?</li> <li>• What do you do well?</li> <li>• What relevant resources do you have?</li> <li>• What do consumers see as your strengths?</li> </ul>	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• What are good opportunities to pursue?</li> <li>• What recent trends indicate new or expanded market opportunities?</li> <li>• What weaknesses among competitors can be exploited?</li> </ul>
<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• What could you improve?</li> <li>• What do consumers believe you do poorly?</li> <li>• What brand promises are you seen as not delivering?</li> <li>• What pitfalls do you need to avoid?</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• What obstacles do you face?</li> <li>• What is your competition doing especially well?</li> <li>• Are the requirements (features, benefits) for your brand changing?</li> <li>• Do any of your perceived weaknesses seriously threaten your market share?</li> </ul>

Conducting multiple waves of tracking research illuminates changes over time that provides invaluable context and applicability to SWOT insights. As perceptions of the brand or advertising change over time, the impact on the strengths, weaknesses, opportunities, and threats can be pro-actively monitored.

Perceptual maps help pinpoint what is important and enable an assessment of the brand's performance for these factors; SWOT analysis highlights Client's perceived strengths, weaknesses, opportunities and threats. Taken together, the results point the way to the "sweet spot" for market positioning. With these in-depth results, the Client will be well equipped to develop effective market positioning and campaigns to implement future positioning of the brand.

## Frequently Asked Questions

### 1. What is the typical schedule applied for strategic tracking?

W5 recommends conducting a preliminary benchmarking wave of research followed by subsequent waves of tracking. Wave timing may be dependent upon business factors, the media plan, the difficulty of conducting research with the intended target, or budget allocated for the initiative. Most often, clients elect to receive quarterly summary analysis and reporting with a full presentation and roll-up of tracking results once or twice a year.

### 2. What is the difference between continuous interviewing and pulsed tracking?

Continuous interviewing provides a complete record of measurements over time – with no gaps or missing time periods in the data. Continuous tracking smoothes out the effects of short-term disturbances such as adverse publicity, new product introductions, bad weather, etc., whereas pulsed tracking can be biased strongly if something negative occurs just as a wave of interviewing is conducted. Continuous tracking is also a good monitor of competitive information, since the interviewing is ongoing and not biased to the media schedule of one brand or campaign.

Pulsed tracking may be somewhat less expensive and can be concentrated into a short time interval to provide highly precise pre/post measurements for specific flights of media advertising. The waves of interviewing can be precisely timed to coincide with media schedules.

### 3. Can tracking data be mined for additional insight beyond that gained from periodic tracking analysis and reporting?

Think of your tracking study as a database that can be continuously used for evaluation and planning purposes. W5 is available through additional consultation to provide detailed data tables and cross-tabulations for further analysis of research results. Additionally, W5 is available for additional analysis, consultation, and even in-person work sessions with the client teams for integration of research results into actionable business initiatives.

### 4. Can I compare my strategic tracking results to norms?

W5 will work closely with you to develop a custom survey instrument that will enable analysis of study results yielding comprehensive conclusions and actionable recommendations specifically addressing the research objectives. As the strategic tracking questionnaire will be customized to map to the final, approved areas of questioning, the subsequent survey results will be difficult to compare side-by-side to normative data compiled from standardized marketing research.

In most cases, W5 recommends against application of norms for several reasons:

- Differences between survey instruments used to collect normative data and those used to collect data for the custom study
- Disparities between the sample frame construction used in the studies compiled into normative as opposed to the sample frame constructed specifically for the custom study
- The enormous range of variation in normative data
- The adherence to strict integrity of question wording across surveys
- The lack of integration of norms into a strategic business model
- The lack of control over the methodology used for collection and synthesis of normative data

- W5 does not compile data from standardized, “off-the-shelf” research that would be compiled into normative databases. In some cases, W5 can acquire normative data for a quantitative comparison of results from an external resource.

***Want to Know More?***

Visit our web site at [www.W5insight.com](http://www.W5insight.com) or contact us at [inquiry@W5insight.com](mailto:inquiry@W5insight.com) or (919) 932-1117 for more information.

