

A Series of Interviews with Today's Thought Leaders.

A Strategist's Research Pet Peeves

LEFLEIN: What's your role at Optimedia?

KAHN: Head of Insights and member of the management exec team.

LEFLEIN: What differentiates Optimedia from its competitors?

KAHN: Optimedia melds the discipline of research with the creativity of communications planning. It is certainly important to have an ROI component to every campaign, but what's more important is to have a sound strategy. And to have strategy, you need to understand the consumer first. Then you have to have a point of view on what is going to drive them to make a decision.

LEFLEIN: How would you say that the way you think about planning has changed?

KAHN: As we all know, media is being consumed all day and the time spent with media is increasing. There are also many more channels within which to consume media and much of this activity is happening simultaneously (i.e., watching television, surfing the Web, and talking on a cell phone at the same moment). It's important to understand this consumer behavior before determining where we place, and the timing at which we place, our media.

LEFLEIN: Let's look at out-of-home television audience measurement, one of the areas in which we do a lot of work. How do you deal with the fact that there is a considerable lift in audiences that is simply not measured in traditional syndicated research reports?

KAHN: It's something that we need to be aware of. I don't know if there's a simple way to deal with the incomplete measurement from an ROI perspective, but we do acknowledge the fact that many people at work are consuming media. I have a television in my office; it's on from the second I get in till the second that I leave. The advertising does hit me.

LEFLEIN: What do you typically watch at work?

KAHN: CNBC. I have a personal interest in finance so I follow it in that vein, but I also follow financial news on behalf of my clients. My client's CEO was featured on the network yesterday as a result of a big Super Bowl promotion. It's interesting to see how the message is being perceived by influential journalists, because these folks shape consumer opinions.

LEFLEIN: While we're on the topic of CNBC - and of course all the implications the economic news has on ad spending, how do you feel about the way the news media is covering the economy?

KAHN: I think they are very powerful and they have to be very careful at this time with the news that they are delivering. As you know, the media has kind of portrayed the economic situation as dire in almost every business vertical which then paralyzes marketing folks from making certain decisions because they think the floor is falling from beneath them.

I think journalists just have to be very careful when they report that yearly earnings are down or sales percents are down because there are factors underneath that which are not always reported. Take fashion retailers, for example. They may have had a poor merchandising mix this year; that happens all the time. It doesn't mean that every company that is down is down because of the recession. The film industry is having its best year!

LEFLEIN: Do you have any examples of how your clients are reacting to the economic mood?

KAHN: Yes, here's a story about Denny's. Denny's sales are up this year; it's a very positive story and it is happening in a recessionary environment. We've taken risks and the company has taken risks. They advertised in the Super Bowl for the first time and gave away free Grand Slam breakfasts after the event. Although there were many operational issues to deal with in putting together the promotion, the end result speaks for itself. It's a positive story of risk taking behavior which leads to rewards. And we are still seeing sales increase, well after the promotional effort.

LEFLEIN: As an agency how do you stay on top of consumer trends?

KAHN: We have developed a program called Outlookers which is a trend spotting service using college marketing programs. We hire students as interns across the country; they go out with a video

camera and interview folks on whatever is topical or what we want to ask on behalf of our clients.

LEFLEIN: Can you share an example of how you use Outlookers?

KAHN: Let's say McDonald's is hot and we know that their stock is doing very well. We'd go out to McDonald's and also stand outside of Burger King and try to understand why people are choosing McDonald's over Burger King. We use Outlookers as an on-the-ground service to test hypotheses.

LEFLEIN: Where do you net out on quantitative vs. qualitative research?

KAHN: 50/50. We have a study that we call Media 1440. It's diary based. We interview consumers around the country about their media behavior. We ask them what they are watching or reading, the time they do it and how it affects their purchasing decision on the product that we are working on. Then we further validate our findings through more quantitative research.

LEFLEIN: What's your preferred quantitative method these days - phone or online?

KAHN: Usually the web. It really does depend. With certain pockets, such as unacculturated Hispanics or Fortune 500 CFO's it's not the best method to use. Without a doubt though, consumers are becoming fatigued with online methodology.

LEFLEIN: That begs the question of what you feel is the gold standard in consumer research methods today?

KAHN: Very rarely is there one standard data collection method; this makes research design challenging. There will always be a difference between scanner data that doesn't require a consumer to opt in, and survey based methodology or face to face interviewing. My feeling is that we should try to get as close as we can but not get lost in analysis paralysis. I think sometimes we try to get down to the finite details of stratification, for example, which can interfere with making strong and sound strategic decisions.

LEFLEIN: As you know, many say mobile surveys are the next frontier for data collection in the U.S. What's your point of view on this?

KAHN: I think we have to be careful about survey methodology in general going forward, no matter what platform you're delivering it on. It's time for reinvention of how research is captured; I always rely much more heavily on observed behavior or actual data.

LEFLEIN: When you say observed, can you give me an example of that?

KAHN: There are nuances you get from ethnographies or having trend spotters living in a certain market to observe what is going on as opposed to asking someone "why did you buy this sweater." Sometimes it's hard for individuals to process why they do something; you often have to tease that out. I feel that questionnaires, in general, are very impersonal.

LEFLEIN: How do you compensate for that?

KAHN: I think that online communities are a better way. Companies like Communispace and Passenger are helping to set up communities so you can have that direct dialog. We do a lot of that on our own. But the concept of talking to individuals, either a group of core customers or even non-customers, on a regular basis, is strategic and a very sound way of approaching an understanding of why consumer decisions are made.

LEFLEIN: What do you do in cases where there's a lack of data?

KAHN: We look for experts in the field to see if they exist. We generate our own data points and do some primary research. We rely on our partners to provide insights. It could be research partners like you; it could be media vendors that have been partners for a very long time. We count on a lot of different touch points to generate data; and, of course, we scour the webisphere.

LEFLEIN: What is your biggest research pet peeve?

KAHN: I would like us to all stop talking about media in terms of new media and old media. I think the whole connotation of new and old automatically puts a positive or negative spin on something and there shouldn't be that spin either way. The internet is not new media. We are in 2009; at what point does this become (just) media?

An Interview With:



greg.kahn@optimedia-us.com

Greg Kahn
Senior Vice President,
Strategic Insights

Optimedia
never settle, never stop.

Greg Kahn has worked in the media industry for over thirteen years. In his current role as head of Strategic Insights at Optimedia, Greg melds the discipline of research with the creativity of communications planning to drive custom, one-of-a-kind solutions across all of the firm's clients-including T-Mobile, L'Oreal, Rhapsody, and Denny's.

Previously, Greg served as Vice President, Research and Strategy at PHD Media (a subsidiary of Omnicom), where he provided marketing strategy and media allocation consultation to Discovery Communications' 14 networks. Earlier in his career, he co-founded and served as president for filmBUZZ, a market research consultancy for filmmakers and distributors. His experience also includes several years with Showtime Networks, YouthStream Media (acquired by Alloy, Inc. in 2002) and the Kwasha Lipton Group (part of PriceWaterhouseCoopers).

Greg has participated as a panelist at many leading industry events including the Cannes Film Festival, Digital Hollywood, and South by Southwest. Over the course of his career, he has appeared as a media expert on CNN and Bloomberg Radio and has also been interviewed by the following print and electronic publications: The New York Times, Los Angeles Times, Variety, The Hollywood Reporter, Forbes, Business Week, Ad Age, Ad Week, Screen International, and Wired.

Greg holds a BA in Economics and French from the University of Pennsylvania and an MBA from the Anderson Graduate School of Management at UCLA.

Barbara Leflein



bleflein@leflein.com

Corporate Philosophy: At a time when corporate America is seeking greater value from its consultants and research suppliers, Leflein Associates is delivering results with efficiency. Clients benefit from a philosophy that integrates sound strategic thinking with creative implementation. Research empowering creativity.

Leflein
ASSOCIATES, INC.

1093 Greenwood Lake Tpk.
Ringwood, NJ 07458
Ph: 973-728-8877
Fax: 973-728-0792
www.leflein.com