3 Tips for Conducting Insurance Market Research that Moves Business

December 2008 - Web Exclusives

Written by Jenny Schade

"We may be lost, but we're making good time."

One of my favorite aunts was known for this saying, and I think of it every time I hear about a company conducting research that's long on procedure and short on information that will actually move the business.

It's important to conduct research into your market before targeting prospects in order to fully understand who you're approaching, and data from studies you have conducted can help move prospects into a close. While we all want to conduct legitimate research, it's also critical to make sure that our approach is going to give us data that improves results versus a huge research report that sits on a shelf and gathers dust.

Based on research conducted over the past 20 years, following are three guidelines for conducting research that you can really use to improve your insurance practice.

#1: Define success clearly
Before you begin a study, clearly articulate your ultimate goals and how you will know you have achieved them.

Ultimate goals are defined as improved business results (i.e., increased sales, better utilization of resources) rather than the typical stated objectives for a research project, which are often about methodology (i.e., surveying 500 employees or conducting eight focus groups). In other words, start by identifying your measures of success and then work backwards to determine your approach.

Clearly defined goals will help determine both methodology and the deliverables for the research, which don't necessarily have to involve a research report.

#2: Present findings clearly and meaningfully
I once attended a presentation conducted by two agency research directors who passionately reviewed extensive charts and graphs and talked about means and regression analyses. Afterwards, I overheard one audience member whisper to another, "Wow — it was like they were making research love. I thought they were going to light up a cigarette afterward. I don't have a clue what they were talking about."

While enthusiasm is always a positive, it's vital to keep your audience in mind when you explain your findings. The more you can speak your audience's language (i.e., "move more cases") and associate what you are doing with their bottom line and values, the greater your likelihood of success at helping them to improve their condition.

In particular, using language that the audience can best understand is going to feel most comfortable to the listener. For non-research audiences, hearing that the mean was 2.7 on a five-point scale can be difficult to interpret. It will probably be clearer to report that 78 percent of respondents "somewhat" or "strongly agree" that they're likely to buy more products.

#3: Strategically set improvement goals
I have yet to meet somebody who isn't eager to improve upon their most recent client survey results. The desire to set an improvement goal is admirable, but it's important to carefully identify a reasonable goal.

For example, when it came time to survey the customers of one organization and compare findings with previous results, one professional informed us that he and his team had set goals of 10-percentage-point improvements on six key measures. These goals had been internally publicized and, in fact, the client and his entire team had incorporated them into their own performance goals that were tied to their compensation. When I asked my client how he had arrived at this particular improvement goal, he replied that it seemed like "a good, solid number."

Unfortunately, this increase was both overly ambitious and unnecessary. I explained to the professional that while his ambition was commendable, just a 4-percentage-point increase would be statistically significant and would therefore represent quite an improvement. Although he ultimately achieved the smaller increase and received my congratulations, he had set himself up for perceived failure within his own organization because of the large goal he had internally publicized. The following survey year, we collaborated on setting more realistic goals for improvement.

As part of measuring progress, people often want to conduct a follow-up client survey too soon after the original study. I've received requests for follow-up research as soon as six months after a benchmark study. In these cases, while it's difficult to turn down business, it would be unethical to conduct the follow-up study so quickly. You may want to wait about 18 months to conduct a follow-up study. That provides you with the opportunity to plan and implement an intervention that can then be accurately measured.

Overall, observing research protocols and standards are important, but it is equally — if not more — critical to also use

common sense when designing and conducting a study. This practical approach will ensure that the research will help move your practice rather than just taking up room on an office shelf.

Jenny Schade is principal of JRS Consulting. She can be reached at 847-920-1701 or jenny.schade@jrsconsulting.net.

5 Brainstorming Best Practices: How to Ensure Super-Colossal Ideas

Effective brainstorming is no accident — when you're in pursuit of a super-colossal idea, there are specific ways you can help ensure the productivity of your meeting. Following are five recommendations for maximizing the success of your brainstorming or creative session when developing a market research plan.

- **Size matters. So does who you're doing it with.** Alright now, keep it clean. We're talking about brainstorming here. The "magic number" for a brainstorming group is eight to 10 people. If you get more than 10, it becomes challenging for everyone to participate and it's too easy for side conversations to get going.

- **Put some "oomph" into your setting.** Try some of the following:
    - Decorate the room appropriately. Do you have inspirational advertising you can post on the walls?
    - Serve snacks and always have water on hand.
    - Give everyone a legal pad or stack of paper along with colored markers.
    - Display little toys and gadgets on the table for participants.
    - Have one or two flip charts for your own note-taking and an assortment of colored markers. Look for the Post-It flip charts that you can tear off and post on the wall when it's time for a new flip chart page. That way, you and your participants can continue to see what you've already developed.

- **Say, "Yes!" Nod... smile... sometimes applaud.** This is really important – be enthusiastic about every idea. At the start of the session, tell participants that it's critical to listen enthusiastically and try to build on the ideas of others. Then model this behavior in the session for others to see and duplicate.

- **Go for quantity, not quality – at least initially.** As you brainstorm, seek the largest volume of ideas you can generate. Ask participants to call out whatever comes to mind. Encourage quantity by writing every idea on the flipchart and responding enthusiastically to each one – actually repeat each aloud and be as positive as you can. Continually ask, "What else?" "Other ideas?"

- **At the end of the session, ask participants to help you with identifying their "favorite ideas."** You can do this by asking participants to vote, followed by a discussion about why these ideas were their favorites. This last step helps bring some closure to your creative exploration and gives participants the chance to reel it back in by selecting the ideas they consider to be the strongest.

Close Window