

Report

Best Practices of World's Successful MRDs—Plus Key MR Industry Providers

Markitecture

Corporate Name, Experience and Skills Bridge the MR-Consultancy Gap

Many MR professionals bolt the supplier side of the business for MRDs because they want to have a greater influence on end users' decision making. Robert Shulman knows that feeling.

For the first 20 years of his career, he established himself as a MR industry leader and innovator, having co-founded and run highly successful market research firms and co-authored several acclaimed books in the field. Yet, with all that success to fall back on, in 1996, he concluded he, too, wanted greater influence in the decisions made by his clients. But he had no intention of jumping to the end-user side. Biding his time until a non-compete agreement expired, Shulman handled several CMO assignments, which he says "opened my eyes to value areas and frustrations business people encounter with MR. I learned that a rearview mirror isn't helpful and that I needed to project insight into what people will do in the future and offer clear prescriptive guidelines," he commented to *RDR*.



Robert Shulman

In January 2001, he founded Markitecture (Norwalk, CT). By current perceptions, it is a research-based marketing consultancy. To Shulman, it is and will represent something much more: the next generation of research firms.

"Researchers have something of an inferiority complex and are obsessed with being treated with more respect and being in on big decisions. It's become fashionable for MR suppliers to position themselves as research 'consultancies,' but their product is essentially unchanged," Shulman said. "Consulting is quite different from research. And a researcher aspiring to be a consultant faces the same prospects as repositioning a *Ford Taurus* to be a *Mercedes*," he said, speaking from failed experiences (notably with Yankelovich, Clancy, Shulman). "Nothing I said to clients--not even about the brand management people we had hired--altered their perceptions. I realized that the more successful the research company, the less likely it can make the transition to a consultancy," he asserted.

Avoiding MR pigeonholing this time, he launched Markitecture as a "hybrid consultancy focused on integrated comprehensive marketing services--but where every assignment has state-of-the-art MR at its core," he detailed. "We're not a research firm, but clients hire us to deal with issues researchers wish they were asked to address: helping to make a decision or change ways of doing business, etc."

Markitecture prefers to work with mid-cap companies (because they tend to be less set in their ways than larger companies) and to address what Shulman calls "turning points" in brand or organization life cycles. These can be a new product launch, relaunch of an existing brand, line extensions, rebranding after a merger or acquisition or exit strategy work. "If you work with us, you're looking for an edge," he noted.

Shulman contends Markitecture's pronounced MR backbone is a distinct and significant competitive advantage over traditional management consultancies. "Classic, lumbering consulting firms--the management consultants who dabble in marketing--don't use MR to develop strategies," analyzed Shulman. "They use MR, after the fact, to make sure their proposed strategy isn't a disaster. I believe they have no idea what they've missed--that powerful research can reveal. They end up finding out whether or not the one opportunity they've decided to go with is good or bad, but won't know if it was the best," he pointed out. "In contrast, the product of our recommendations is always driven by research. And our core proprietary research capabilities--something large consultants simply don't have--are ingrained

within our line marketing experts, all of whom are crosstrained."

The name

MARKITECTURE
DESIGN AND IMPLEMENTATION OF MARKETING STRATEGIES

"Markitecture," a tipoff of the business' unique nature, explains the consultancy's intended value proposition. Its sole focus is marketing, Shulman emphasized, not financial planning, business management or other traditional consulting areas. "We're highly specialized, making us more astute marketers," he noted.

Markitecture's reference to IT is set off in the corporate logo with a shade of green, which "is supposed to draw your eye to the center of everything," Shulman explained, "because the heart of our firm is a double entendre: information technology--a best practices research capability. These are all the robust classic methodologies, plus database and other information activities not typically seen as MRD technologies, things born from the direct marketing/Internet world--like customer lifetime value analysis."

The third proposition in the Markitecture name is the architectural metaphor. "Architects spend a lot of time understanding their clients. Then, they build a plan to suit those needs. We say our marketing planning process creates blueprints. You get that as part of our research," Shulman detailed. "We map out targets, positioning, etc., then sit down with our in-house creative group and return to the client with graphics and copy. We don't replace ad agencies, but move things seamlessly to the point where the creative truly can execute against the strategy because it's been well articulated."

Markitecture pursues marketing issues that require 'prescriptive' research and guidance. Its staff of 15 boasts mostly seasoned, senior-level professionals--brand, marketing and MR experts from top global

What Matters To Markitecture		
An Ultra Consultant	Value	Why and How It Meets That Challenge
An Understandable Desire to Influence Client Decisions	▲ ▼	After over 20 years in MR, Shulman decided he wanted greater influence on client decisions. He launched a consultancy that he sees as “the next generation of research firms.”
Moving Away from MR Ideals and Philosophies	▲ ▼	Shulman knew from experience that it is almost impossible for a research agency to become a consultancy because of nagging MR-related stigmas. He needed to offer futuristic insights.
Incorporating MR Into His Company	▲ ▼	Seeking out mid-cap companies at an organization or brand turning point is his target. Shulman provides them solutions based on impeccable research—not solutions checked by MR.
Why Now is the Right Time for His Philosophy	▲ ▼	Corporate managements dispense with descriptive, nice-to-know MR in tough economies. But at all times, including down economies, research that solves problems and provides an edge is critical and coveted.

corporations and consultancies—who are all involved in the research. “MR can be broken into three buckets,” stated Shulman. “There is auditing or bean counting research (ACNielsen and Nielsen Media-type research) and maintenance research (ad testing, customer satisfaction tracking, etc.), which are both descriptive in nature. And then there is that portion of the budget that every research director covets, the 20% where the fun, creativity and action are. That’s the prescriptive research—where great projects are and often where research makes the most dramatic business contributions.” That is the core of what Markitecture does best.

“Some believe research is a recession-proof business because in difficult times, you need to do research to insure against mistakes and in boom times you need it to maximize opportunities and speed to market,” remarked Shulman. “In both cases, descriptive, nice-to-know research is expendable in management’s eyes. But for those looking to get an edge—which is a constant business reality and an imperative for success and growth—the need for expertise to attack a problem, rather than maintain the status quo, is always present. Prescriptive research does that, quantifying demand that allows you to move aggressively.”

Markitecture is reportedly off to a strong start. Estimated 2002 revenues of about \$5 million are coming in from clients like MasterCard, ESPN, Sorrento Cheeses, Ralph Lauren Polo and eCornell (the university’s online division). Interestingly, Markitecture is gaining traction with MRDs, too. “Initially, I steered clear of former MRD clients, but they’ve really embraced us coming in, doing good quality research, but not stopping there,” Shulman disclosed. **RDR**

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