

Case Study Series: What's Working in Marketing & Selling Professional Services

Market Research Firm's Client-Centric Approach Leads to Cross-Selling Opportunities

By M. Sharon Baker

OVERVIEW

Sixteen years ago On Your Mark, co-founded by Brenda Laguarta, Angela Michka, and Kim Rogers, set out to be a sports marketing agency, one that used a focus on women as an entrée into the marketplace.

However, the trio realized “there was a great need, a lack of knowledge and complete confusion on how to attack the women’s market,” Laguarta says. Five years later, they shifted their focus exclusively to market research—which was initially just a tool in their arsenal—and focused on companies outside of the sporting goods arena.

Today, the eight-women company, which specializes in qualitative research designed to understand women and the way they think, work, and shop, has grown to nearly \$2 million in sales from blue chip clients such as Nestle, Kellogg’s, American Greetings, Victoria’s Secret, Lean Cuisine, and Carter’s.

SITUATION

Despite its success, the team at On Your Mark realized in late 2008 that tough economic times loomed. Executives knew spending on research would most likely be cut as corporations wouldn’t have the budget to act on the research after it was ordered.

They also knew landing new customers quickly would be difficult. They don’t work on retainer, and if existing clients didn’t book new projects, they would constantly have to find new clients. Sales cycles in market research are long and often based upon relationships. Existing relationships are often hard to break, and take a long time to make, which could lead them into cash flow problems if they didn’t find new clients fast.

On Your Mark enjoyed a steady stream of business from existing clients but “We fell into the same small business trap that a lot of other people do,” Laguarta says. “The owners get focused on managing current business and then suddenly you look up and you realize, ‘Wow, we really haven’t gone out and landed new business in a long time.’ It is a very wonderful dilemma to be in but not a smart business dilemma to be in.”

They had also let their work speak for the company, flying so low under the radar screen that no one knew who they were or what they could accomplish. “We’re the best research firm you never heard of,” says Jeanne Corrigan, a partner who joined the firm in 1999.

APPROACH

As they started to experience the roller coaster economy in late 2008, the team made a strategic plan that focused on existing customers and increased the company’s visibility.

Ask What Else, Who Else

Taking a good look at their roster of clients made On Your Mark executives realize there were other divisions at client companies that could benefit from their research, and they started asking their contacts for introductions and referrals. “It’s not in women’s nature to ask what else, what else, who else,” says Corrigan.

Looking at a company the size of a Nestle’s, for example, they realized there were 50 other brands they could be working with, and new industries they could tap. As firms started hunkering down, landing appointments became difficult. “No one wanted to take responsibility for a visit,” says Corrigan. “They didn’t want us to come to town just for them because they didn’t know if there would be any work to come from it. So we had to be more broad in how we approached things.”

Looking at their existing clients more closely made Corrigan and Laguarta realize they could provide valuable research for managers in different parts of a company, those that typically don’t purchase research but needed it to understand their customers and the changes they needed to implement in their business.

“As consumers started to change their decision making patterns, it became much more important in different parts of the company—such as pricing and research and development—to know what impact changes might have,” says Corrigan. “For the first time, we started doing in-home and shopping trips with a whole cross section of sales, marketing, R&D, and manufacturing, who were meeting with their customers for the first time.”

“Everyone wanted to know the effects of the economy on their customers and what they should be doing,” adds Laguarta.

Be Proactive about New Possibilities

To keep their pipeline full, the team started looking and thinking ahead about new opportunities going forward. “We’re intensely involved in our clients’ businesses, with projects going all the time,” Corrigan says. “We started to take a look at what we were doing now, what we still needed to learn, and what could help our clients based upon what we were already doing.”

Knowing that it is hard to keep fresh after a five year partnership, and that a fresh idea presented by a competitor can often capture a manager’s attention, On Your Mark started offering new ideas and suggesting projects, letting existing clients know what else they could be doing. By attending pre-project meetings and understanding a company’s goals, they figured out what the next steps might be and offered ideas and projects to help a company meet its goals.

“In this industry there are 1,000 companies doing qualitative research,” says Laguarda. “But staying very true to our focus on women and on our clients has become a key point of differentiation.”

Increase Visibility

They also sought to increase the company’s visibility by conducting their own trend research, adding content to their website, and using traditional public relations.

“One of the things that we’ve had in place for a decade (long before the economy started to meltdown) was a panel of super savvy women from around the country that when we need feedback or to stress test something before we put it in front of a client, we could tap,” says Corrigan.

The company used the panel as an internal tool for years, but during the harsh economic times, they leveraged the panel to help external clients understand the impact of the economy on women. “It became an added value or retention tool to also show our appreciation and value for our clients,” says Laguarda.

Because they couldn’t reveal trends unearthed on their clients’ dime, On Your Mark also used the panel to learn of new trends they publicized for their own benefit. They created a quarterly newsletter that revealed some of their insights and sent it to existing and prospective customers in addition to posting it on their website.

“It sounds funny to say this, but after 16 years, we’re finally ready to tell people about On Your Mark,” says Corrigan. “We’ve been pretty protective and small, and wanted to make sure we flew under the radar screen. We let our work speak for itself, but today, that’s just not enough.”

RESULTS

On Your Mark has not lost any clients in two years. Sales from existing clients did dip 15% in 2009 as clients cut back on their research budgets, but that dip is shaping up to be a single occurrence as revenues have returned to 2008 levels. While much of the research industry experienced a decline in revenue and expected business to remain depressed in 2010, On Your Mark weathered the storm by selling more services to existing client companies and attracting more new companies to their pipeline.

Between 60 to 70% of “new business” in the past two years has come from working with new divisions of existing clients or it came from projects created by On Your Mark to help deepen their consumer understanding of what was happening during the recession. And two of the firm’s larger clients are on track to bill more this year than in any previous year.

Additional Insights from Brenda Laguarda and Jeanne Corrigan:

- 1) **Establish relationships with your clients.** “We’re the company that still sends out birthday cards and anniversary cards and celebrates with our clients,” says Laguarda. If Cinco de Mayo is a big holiday for someone, we’ll send them a package to celebrate. It’s easy to think that email is the best communication tool but the business

we're in is relationships and communication." Remember: Such efforts must be authentic.

- 2) **Make time for new business.** "It's important to get in front of people and that's been our biggest barrier," says Laguarta. After traveling 35 to 40% of the time, it's difficult to turn around and get back on a plane. But everyone they meet says, "I did this kind of research once and it was a horrible experience." Which is just the problem On Your Mark can solve.
- 3) **Deliver more and know how your client learns.** Corrigan and Laguarta know that finishing up the research portion of a project is just the first step for their clients, who then have to sell their ideas to their companies. To make it easier for their project partners, they create turnkey documents, presentations or workshops, and help them deliver the research findings at no additional cost. Knowing how your partner learns and needs information makes the client's job easier—which is something they value highly.
- 4) **Do Something—Don't Just Freeze.** When you see something like a recession that you know is going to damage your business, it's just important to do something, even if it's just several steps in one direction. "If you sit, it becomes a hurricane," says Laguarta. "Take steps in a direction and see what happens." If you need to, revise your steps or take different ones. Just make sure you do something.

Resources

On Your Mark website: www.oymresearch.com