INTRODUCTION

Every two years, the Marketing Science Institute asks member companies to help select the priorities that will drive research initiatives and member activities going forward. This process gives MSI Trustees an opportunity to shape the new priorities to ensure that they reflect the most pressing needs and interests of the member companies.

Without question, research priorities serve an essential function at MSI, helping to determine the conferences and workshops we hold, the research competitions we host, and the content we develop and disseminate. They serve as a crucial signal to the academic community as to the areas of most interest and importance to MSI member companies, influencing research programs and the activities of scholars all over the world.

PROCESS

As in past years, this year’s research priorities were formulated through a detailed, systematic process. After a series of internal meetings, we began by conducting a focus group in Chicago with area Trustees. We next completed a series of phone interviews with Trustees from the full range of MSI member companies — more one-on-one interviews than had ever been conducted before. Each interviewee was asked to prepare three issues or themes they thought would be the most important to their role and/or organization in the coming year. In addition to helping to surface the pressing needs of companies, these interviews allowed us to better understand the specific marketing issues and challenges faced by individual Trustees.

The feedback was invaluable. After carefully analyzing this input — and with much back and forth — we developed a candidate list of eleven priorities. Not surprisingly, these priorities reflect the need to tackle some old problems as well as address some new challenges. To provide insight into the scope involved, each priority was described via a set of questions. A ballot describing each priority was distributed to member company Trustees. Trustees allocated 100 points across the eleven priorities and also indicated which questions for each priority were relevant and important to their business. Participation was widespread across member companies and tallying the votes and feedback helped us to evaluate and rank priorities.

RESULTS

Although all candidate priorities were of at least some interest to Trustees and companies, they could be grouped into three tiers to better reflect their ranking and assigned importance.

Tier 1 consists of two priorities: “Understanding Customers and the Customer Experience” and “Developing Marketing Analytics for a Data-Rich Environment.” At the heart of today’s marketing challenges, these two priorities are already being addressed in MSI planning and activities.

Tier 2 consists of five priorities capturing a range of marketing topics. Two priorities relate to key internal, organizational issues: “Measuring and Communicating the Value of Marketing Activities and Investments” and “Developing and Organizing for Marketing Excellence.” The other three...

**Tier 3** consists of four additional priorities. Two priorities emphasize various aspects of growth: “Innovating Products, Services, and Markets” and “Operating in Global Markets.” Two other priorities point to important challenges in dealing with today’s customers, “Recognizing Differences in Consumers and Customers,” and “Establishing Optimal Social Contracts with Customers.”

In the following pages, we describe each of the priorities in more detail.

— **Kevin Lane Keller, 2013–2015 Executive Director**

For information on obtaining research support and submitting a working paper to MSI, go to the Research section of [www.msi.org](http://www.msi.org).

Contact Research Director Ross Rizley, Rizley@msi.org, with questions about research priorities and programs.
2014–2016 RESEARCH PRIORITIES

TIER 1

- Understanding Customers and the Customer Experience
- Developing Marketing Analytics for a Data-Rich Environment

TIER 2

- Measuring and Communicating the Value of Marketing Activities and Investments
- Developing and Organizing for Marketing Excellence
- Leveraging Digital/Social/Mobile Technology
- Creating and Communicating Enduring Customer Value
- Developing and Delivering Fully Integrated Marketing Programs

TIER 3

- Innovating Products, Services, and Markets
- Operating in Global Markets
- Recognizing Differences in Consumers and Customers
- Establishing Optimal Social Contracts with Customers
Understanding Customers and the Customer Experience

This priority reflects both the enduring importance of customers in marketing, and how customers and consumer behavior have changed due to technology and other forces. Understanding today’s customers requires taking varied perspectives that suggest new concepts, ideas, and thinking.

TOPICS OF INTEREST

What new customer behaviors have emerged in a multi-media, multi-screen, and multi-channel environment?

How do social media and digital technology change customer experiences and the consumer path to purchase? What are the best ways to model the consumer decision journey? Are other models more appropriate than the decision funnel?

How should engagement be conceptualized, defined, and measured? How do social media and other marketing activities create engagement?

What is the role of habit and inertia in consumer decision making?

How and at what points do emotions affect consumer decisions? How are they triggered?

How should qualitative and quantitative methods be combined to understand the total customer experience?
Developing Marketing Analytics for a Data-Rich Environment

This priority reflects the new opportunities that organizations have to better-understand customers and improve their marketing decision making. The fact is, as much as there is a tendency to proclaim that “consumers are more empowered than ever,” the same could be said of companies because of the many different types of data and information that are available to them for the first time. Through improved means of analysis and greater insights, companies now have the ability to create products and deliver marketing programs that offer increasingly higher levels of satisfaction to customers.

TOPICS OF INTEREST

What analytic skills will be required in an increasingly data-rich environment? How can organizations improve analytics capabilities to make better business decisions and implement them enterprise wide?

What are the next steps in the evolution of marketing mix modeling and predictive analytics? How can organizations evaluate the appropriateness of new techniques?

How can causality of marketing activities be inferred in data-rich environments? What is the appropriate role of experimentation?

How can new analytical methods be developed to gain greater insights from unstructured data (e.g., social media)?

What methods can be used to make real-time decisions in a data-rich environment? What are scalable methods to analyze large amounts of data?

How should individual-level data be used to build more powerful customer-level marketing programs?
Measuring and Communicating the Value of Marketing Activities and Investments

Marketing accountability concerns were only heightened by the recent economic downturn. Making every dollar count is a marketing imperative for all organizations. To do so requires a keen understanding of all the different brand-building and sales-generating activities an organization may choose to engage in.

**TOPICS OF INTEREST**

- What measures should be used to evaluate short-run customer response and long-term brand-building effects?
- How should “soft” (attitudinal) and “hard” (behavioral) metrics be combined to measure marketing activities?
- What roles do different touch points play at different stages of consumer decision making?
- How should ROI of digital and social marketing activities be measured?
- How should ROI of internal marketing activities be measured (e.g., training programs)?
Developing and Organizing for Marketing Excellence

In a rapidly changing world, virtually all marketers are re-evaluating how they should do marketing. Different structures, new processes — everything is on the table. No two firms look alike or act alike, but all firms can benefit from improving their marketing function.

TOPICS OF INTEREST

What skills will marketers and market researchers need in the future?

How should different functional areas (e.g., analytics and customer service) be organized to improve marketing outcomes? How do companies create a consumer-centric culture?

How can insights be communicated more effectively to have increased impact in the organization? What is the value of techniques such as data visualization or storytelling?

How can companies organize to monitor and respond to changes in the external environment?

How should marketers work with a network of external partners to develop and implement marketing strategies and programs?
Leveraging Digital/Social/Mobile Technology

An area that has already seen much emphasis from MSI in the last few years, digital, social, and mobile technology is of continued interest and importance to member companies. Academics have risen to the challenge and MSI is taking a leadership role in developing a community of top scholars conducting research in this area.

TOPICS OF INTEREST

What are appropriate guidelines for digital marketing activities, e.g., designing web sites, conducting search campaigns, using online ads and promotions, and engaging customers with social media?

How should marketers use mobile and social media marketing to communicate with consumers? What are the opportunities? What are the constraints? How should these activities be factored into customer relationship management and brand building?

What is the utility of digital, mobile, and social media as research tools? What is the role of social media in consumer insights? How can it be used as a complement to traditional sources of insights?

What is the right way to monitor social media?
Creating and Communicating Enduring Customer Value

One of the most important tasks in marketing is to create and communicate value to customers to drive their satisfaction, loyalty, and profitability. Any insights in this area have significant implications for the long-term financial health of an organization. It truly is at the heart of what marketing is all about.

TOPICS OF INTEREST

How should customer perceptions of product and service value be measured?

How can key drivers of customer value be identified and calibrated? How can the right attributions be made?

How can marketers influence and frame customer perceptions of value?

How should prices be set to properly reflect customer, competitive, and consumer considerations? What are the implications of different promotional pricing policies?

How should customer lifetime value be captured and how can it be incorporated real-time into marketing decisions?
Developing and Delivering Fully Integrated Marketing Programs

Marketing integration has been an important managerial priority for over three decades, but it is taking on even more importance with all the new ways to communicate with consumers and customers and distribute products and services. Integration is about “making the whole greater than the sum of the parts” in all marketing activities and programs. It is when 1 + 1 is more than 2.

TOPICS OF INTEREST

How can marketing programs be fully integrated to generate sales in the short run and build brands and a loyal customer franchise in the long run?

What are useful models or frameworks to understand the full range of consumer contacts and touch points for a brand, e.g., online vs. offline, marketer-controlled vs. consumer-driven, etc.? How does mobile fit in?

How should marketing communications be integrated in today’s media environment? How do you create a holistic approach to messaging and creative? How should digital vs. non-digital communications be managed?

What organizational processes will help to achieve maximum marketing integration? What are the implications for training and other areas?

How can companies better integrate marketing and sales?
Innovating Products, Services, and Markets

Growth in the form of new products or services is critical to long-term financial success. Innovation comes in all forms and affects virtually every aspect of marketing. Companies look to take advantage of new technologies and new thinking to improve their “hit rate” with new products and services.

TOPICS OF INTEREST

How do companies anticipate and adapt to changes in industry structure and markets? How do they innovate new business models and insulate themselves from new forms of competition?

How do companies benchmark and set goals for service excellence? How can companies balance the need for personalized service (“high touch”) with self-service (“high tech”)?

What is the value of alternative sources of insight generation to drive innovation (e.g., crowdsourcing, co-creation, and employee input)?

How can design be infused in product and service development?

How can companies innovate for both ends of the socio-economic spectrum?
Operating in Global Markets

Companies also grow by entering new markets. Expanding businesses across geographical boundaries and diverse cultures, however, pose some distinct challenges, especially in emerging or developing markets. Globalization also leads to greater competition, and marketers find themselves facing new forms of competition and new competitors. To thrive in global markets, organizations seek improved approaches to designing and executing their marketing.

TOPICS OF INTEREST

- How do companies create global standards for key marketing capabilities?
- How should they standardize customer insights, analytics, and forecasting practices around the world?
- How should companies overcome the challenges of conducting marketing research in different geographies? How can they address variability in the quantity, quality, and accuracy of data?
- How can companies find new sources of growth in the face of increasing global competition?
- How should companies globalize digital media? How do they create and share local content?
- How is marketing different in emerging markets? How can companies develop and implement the right strategies for sales and distribution, communication, pricing, product lines, etc.?
- How can marketers transfer learnings from developing to developed markets?
Recognizing Differences in Consumers and Customers

The customer base of any organization consists of a group of customers who differ in a number of meaningful ways. Yet, marketers must design and implement marketing programs that work as well as possible for each individual customer. Developing robust marketing programs and activities that acknowledge, incorporate, and perhaps even celebrate these differences is critical to marketing effectiveness and efficiency.

**TOPICS OF INTEREST**

*What are the key marketing implications of cultural, geographic, and demographic differences in consumer behavior? How should marketers approach emerging vs. developed markets, different age cohorts, different life stages, etc.?*

*How should behavioral data be incorporated to improve market segmentation and marketing customization? How can it be combined with lifestyle or survey data?*

*What is the value of targeting “influentials”? How does information and influence disseminate across online and offline social networks to drive adoption of new products and services and build brands?*

*How do customers react to being targeted? When do backlashes occur?*
Establishing Optimal Social Contracts with Customers

One consequence of better-informed and more-empowered consumers is that the “rules of the game” in many cases have changed. Consumer expectations have risen in terms of how they would like to be treated, what they think firms should be doing besides selling their products and services, and so on. Violations of these expectations can have severe consequences, as many firms are discovering. Establishing rich, mutually beneficial relationships with customers is of paramount importance.

**Topics of Interest**

What different customer-company relationship norms exist in today’s marketplace? What different forms of customer loyalty (e.g., brand vs. channel) prevail today and how are they created?

What is the “corporate code of conduct” that consumers expect? What levels of transparency, perceived fairness, and ethical behavior are expected? How can companies recover when expectations are not met?

How are perceptions of company or brand trust, credibility, and leadership formed? What roles should companies play in informing consumers and helping them make better decisions?

What is the importance of corporate social responsibility in consumer decision making? What specific expectations do consumers have for companies about the environment, the community, and social causes? How do these expectations influence consumer decision making?

What do consumers expect of organizations with respect to privacy? How do marketers manage the tradeoff between being personal and relevant versus invading privacy?
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Kusum Ailawadi, Dartmouth College
Peter Fader, University of Pennsylvania
Marnik G. Dekimpe, Tilburg University
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Affiliation as of time of service

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March 2014

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