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Impact of COVID-19 on the Market Research Community

The study was conducted in collaboration with the Insights Association using CRIS by Delvinia, an AI-enabled virtual moderator that conducts qualitative one on one text-based interviews at scale.



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Introduction



Adam Froman
CEO, Delvinia

As we all go through the pandemic together, Delvinia has continued to look for ways to support, guide or give back to the MR industry that we are proud to be a part of. Like others, we have collected and shared survey data on how consumers have been managing through COVID-19. But who has been asking the Market Research community about how they are doing?

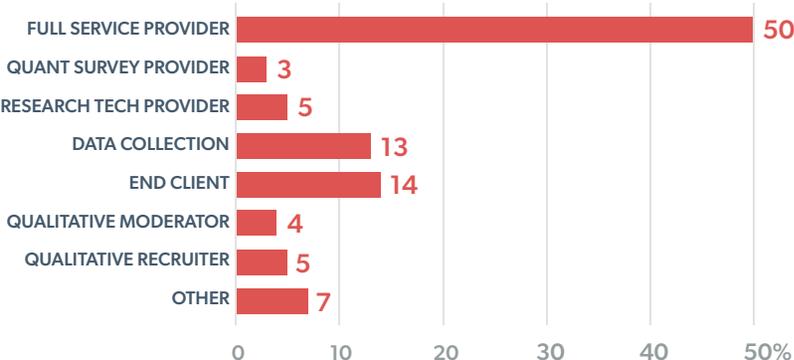
As a Research Tech company, the Delvinia Group of Companies are firmly entrenched in new and innovative data collection technologies. At the end of last year Delvinia acquired qualitative research tech company CRIS (Conversational Research Insight System), and I asked our VP, Client Success (and co-founder of CRIS), Laura Craig, if we could use CRIS by Delvinia to capture the thoughts and opinions of the MR community in a manner that could help the industry manage through the pandemic.

When we approached the Insights Association to see if they wanted to partner with us on a qualitative study to help them understand the impact of COVID-19 on their membership, they loved the idea. We knew that the impact would be different for each one of you, and the study was intended to capture both quantitative data and qualitative insight. Partnering with the Insights Association allowed us to reach the majority of market research professionals across North America to allow them to share their opinions and experiences during the pandemic.

I am pleased to share this report with you and as we pray for health and safety for all of our colleagues in the MR industry. While everyone is navigating through this unprecedented time in our businesses and careers, I hope that you will find at least one takeaway that will help you manage through the COVID-19 pandemic.

Method

The Insights Association sent an invitation to its membership to participate in a study designed to gain insight into the experiences of the market research community in the time of COVID-19. In total, 333 members participated in the study between April 24 and May 6, 2020, broken out as follows:



Due to the small sample size of the subgroups, quantitative results will be reported on the total throughout the report, and any differences that emerged qualitatively will be identified. Percentages will not always equal 100 due to rounding. While we do not identify quantitative differences in responses between research areas in the body of the report, we have conducted significance tests for differences in answers and provide an analysis of the outcomes in the Appendix.

The study was conducted using CRIS by Delvinia, an AI-enabled virtual moderator that conducts qualitative one on one text-based interviews at scale. The method allows for participants to provide both qualitative and quantitative feedback in a seamless chat-like experience.

The report was written by Steven Denney, Ph.D, who is a Postdoctoral Research Fellow at the Munk School of Global Affairs and Public Policy.

The qualitative analysis incorporated a number of technology approaches designed to enhance the analysis and minimize bias, including:

- Sentiment analysis of relevant qualitative open ends, using the Google Cloud Language Sentiment api (referred to in the report as Sentiment Analysis)
- A proprietary text summarization technique that examines corpuses, created for selected open-ended responses, for word frequencies and word associations

Executive Summary

The economic disruption caused by COVID-19 is historic. The Bureau of Labor Statistics estimates that roughly 20.5 million jobs were lost in April, as the impact of mandatory shutdowns and social distancing measures means firms shedding payroll or closing their doors for good. Many more have experienced other disruptions, such as reduced working hours and the need to transition to a “work from home” mode.¹

How have market researchers fared during this period? Overall, Insights Association members appear to have made a relatively smooth transition to online-only operations. Some researchers, especially those reliant on qualitative methods and physical interactions, are having a harder time adapting, but mainly appear willing and able to embrace digital alternatives. Many members noted how nice it is to work remotely and avoid things like time-consuming travel and traffic. Several indicated that, post-crisis, many of the changes we observe now will likely become permanent features of the market research occupation.

It isn't rosy all the way down, though. Most market research firms have taken a hit to their revenue, with those more reliant on in-person recruiting, interviews, and focus groups hit hardest. Some members note that work has actually increased, as survey/panel respondents are more active and willing to participate, but even those working in the online survey space have noted a decrease in revenue and research interest. There is no small amount of personal struggle in the COVID-19 environment, too. Work-life balance is difficult to maintain when work and home are the same place.

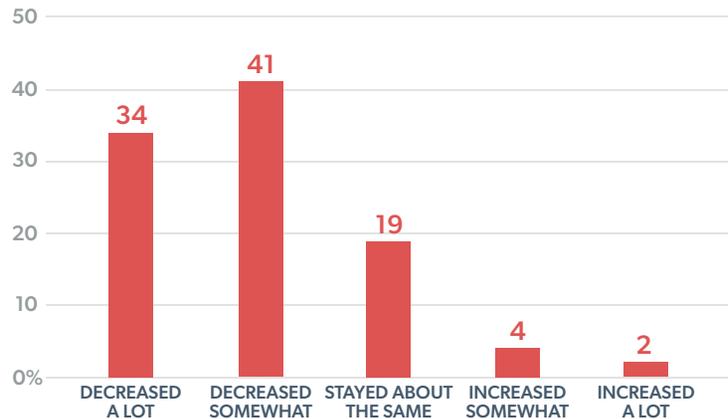
Despite the enormity of the COVID-19 challenge, the vast majority of Insights Association members are bullish about the future. No doubt, this is due in some part to the fact that knowledge-based industries can adjust to social distancing requirements and are particularly well-suited for online transitions. But it also points to the resilience of the industry and the people who constitute it. Things may be bleak now, but members think the future remains bright.

¹[Bureau of Labor Statistics, US Department of Labor](#), last modified May 8, 2020.

Impact of COVID-19 on Revenue

Among Insights Association members represented in this study, the economic impact of COVID-19 has been overwhelmingly negative. Few firms (<10%) have seen an increase in revenue and some have stayed “about the same” (19%), but three-quarters of Insights Association members say revenue has “decreased somewhat” or “decreased a lot.” In terms of the subgroups, directionally, qualitative researchers are more likely to say that their revenue has “decreased a lot”.

How has your revenue been affected by COVID-19?



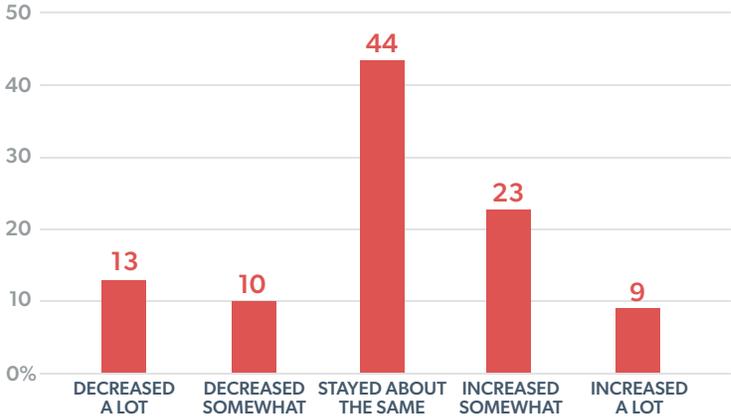
N = 333

Impact of COVID-19 on Research

IMPACT ON USE OF RESEARCH TECHNOLOGY

Many Insights Association members feel that their use of Research Technology has “stayed about the same” (44%) as prior to COVID-19. About one third (32%) of members reported an increase, and fewer than one quarter have decreased their usage of Research Technology in these times (23%).

How has your use of Research Technology changed since COVID-19?



N = 315

Looking more in-depth to the reasons for increases in usage of technology, we see this is predominantly around an increase in using video conferencing to communicate with clients and colleagues.

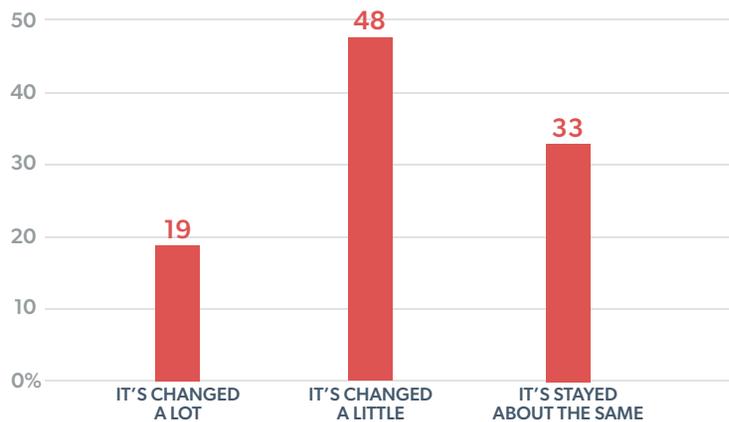
And for qualitative researchers and end clients, there is increased usage of online bulletin board and video conferencing technology due to the inability to conduct in person research.

Reasons for decreases in usage of technology tend to be simply related to the fact that less research is being conducted during this time. As one qualitative moderator put it: *“Fewer clients commissioning work. Their budgets are slashed. Research is the last thing on their mind.”*

IMPACT ON HOW RESEARCH IS BEING CONDUCTED

Most Insight Association members report that the way they are doing research due to COVID-19 has changed at least “a little.” And one-third (33%) report that the way they are doing research has “stayed about the same.”

How much has the way you are doing research now changed since COVID-19?



N = 333

The biggest change to how research is being conducted now is related to more market research operations moving online. Some of this digital shift is related to how data are being collected, but a large portion is related to an increased use of technology to facilitate working from home.

A text summarization analysis of the open-ended data shows that the most salient words are “in-person” and “online”, with “work” and “COVID” being commonly used words, reflective of the new working environment under COVID-19. One qualitative moderator summed it up this way: *“The biggest change is that everything is online/remote now. Even the work itself. All [of] the team is working remotely - home-office based.”*

Those who were positive about the changes to the way they are doing research now have found that the transition has been relatively painless. As one full-service provider put it: *“Anything in-person is now online. This has not presented any issues, though. Respondents are genuinely happy to participate in research and are giving more thoughtful responses.”*

The change for some researchers has been nothing short of structural. An Insights Association member who works in quantitative surveys described the change, saying: *“Our phone interviewers moved to work from home instead of working in call centers. This led to a flurry of moving equipment and testing to ensure good call quality, which has been accomplished quickly. Also all of the staff is now working from home.”*

Despite the ability to move operations online, not all Insights Association members made positive associations with the transition, especially in the area of qualitative research. *"We are not doing research now. Answer phones, provide bids, but clients are delaying conduct of in-person research"* said a focus group facility owner. *"Qualitative is online-only at the moment, and phone interviews are not really being considered"* noted a full service provider.

FEELINGS AROUND THE CHANGES

Despite the fact that some research, especially qualitative, has been either put on hold or cancelled, Insights Association members are generally positive about the changes to the way they are doing research now.

We used the Google Cloud Language Sentiment api (Sentiment Analysis) to analyze the responses to this question, and it shows that the majority of the responses tended to be positive (42%) or neutral (also 42%), while a minority (16%) were classified as negative.

Most researchers in quant, data, and tech are positive about the changes: *"It's good - business is great for us right now, and we're truly lucky for that,"* wrote one quantitative survey provider.

A full service provider had this to say:



For the most part I feel very positive about moving most research online (whether online surveys, bulletin boards, mini-groups via Zoom or chats). The only downsides have been postponing quant research that is predicated on an in-person qual methodology.



A few also noted that not having to travel is a major time- and money-saver.

End clients and qualitative researchers were more likely to be negative about the changes, but for different reasons. For qualitative researchers, the negativity is related to a decline in work, whereas for end clients, the opposite is the case. End clients are feeling that the amount of work they are doing has actually increased, *"The pace is overwhelming at times."*

There are clearly competing takes on the implications of social distancing measures and economic shutdowns. Those who were already in a position to take advantage of a massive online shift pre-crisis, such as quant-focused and full service providers, can do so, while those who rely on in-person interactions (e.g., qualitative researchers) appear to be struggling.

CHANGES THAT HAVE BEEN A POSITIVE SURPRISE

Despite the fact that some research, especially qualitative, has been either put on hold or cancelled, Insights Association members are generally positive about the changes to the way they are doing research now.

Those who have been positively surprised talked about the ease and satisfaction they are finding in working from home. *“The working from home aspect of work has been a lot more effective than I anticipated,”* wrote one full service provider.

Employers have been surprised at how well everyone has adapted. As one qualitative researcher said:

“

Employees have adapted remarkably well. They have a can do attitude that is incredibly refreshing. All are working more independently now and we are seeing they use their training and experience to make good decisions when they can't check with a supervisor.

”

Some of the reasons cited were more personal than specifically work-related. An Insights Association member who works in research tech noted, *“I travel quite a bit for my job, so COVID-19 has given me more time with my family.”*

There is even some hope that some of the current changes will last beyond the crisis. *“Working remote completely has been much more seamless than my company thought it would be, so I'm hoping we go from being allowed to work remote only once a week to doing so whenever we want to,”* said an end client researcher.

Finally, survey and online qualitative respondents have impressed Insights Association members during this time as well. As one full service provider put it: *“The response and show rates have been really strong. Participant engagement is exceeding our expectations.”*

CHANGES THAT HAVE BEEN PARTICULARLY DIFFICULT

Not all Insights Association members were negative in giving examples of changes that have been particularly difficult due to COVID-19. The Google Sentiment analysis classifies 24% of the answers to this question as having positive sentiment, with 51% being neutral and 25% being negative.

The key theme in this area is challenges – both personal and professional– caused by the inability to interact with people in-person. *“You can lose some of the humanity of doing face to face and really observing body language and other non verbal feedback,”* wrote one full service provider. Another talked about this in the context of communicating with their team *“particularly holding virtual meetings to review project/product specifics. More time is needed and paying attention even to minute details on planning ahead to accomplish specific tasks.”*

Several noted the challenges of working from home with kids and other home care obligations. *“Working from home with a kid, husband, dog, and two cats constantly barging in and demanding things (ok, the cats keep to themselves...they're cool) is extremely challenging,”* quipped one member.

For others, it is the economic uncertainty that is most challenging. *“Financial management and adjusting to new revenue lows has been difficult. Managing the business has never been more challenging,”* noted a qualitative recruiter. *“Managing the unknown and so many questions about what is ahead,”* said a member working in data collection.

Lastly, for those Insights Association members who did not report any changes to the way they are doing research, they were asked the reasons behind the continuity. The answers were mainly the same, with members noting that their business model has changed little to none. As one end client respondent noted, *“We have always done research online, nothing has changed there.”* In fact, one of the most commonly used phrases in answers when asked for reasons they aren't doing anything differently was “nothing changed.”² Those who had little in-person contact and whose services were provided mainly (or entirely) online have seen little change in the way they do research. *“In fact,”* says a data collection researcher, *“due to the virus, a lot of people are obviously home and we are seeing some spikes in response rates due to that matter.”*

²At .43, “nothing” and “changed” show a moderately strong correlation, and one of the stronger word associations observed in the data.

Market Research After COVID-19

Many anticipate that the way they conduct business will be permanently changed in some way. Among those who have changed the way they are doing research due to COVID-19, a strong majority (78%) say they will continue to do something differently once we get back to normal.

Post-crisis, Insights Association members expect that they will:

- Use online research technologies and methods more often
- Make use of more flexible schedules which permit working from home
- Travel significantly less

Some feel that the way market research is being conducted is already the new normal. COVID-19 caused an abrupt change in the way business is conducted, and the results are not that bad and possibly better than before. The new way of business for one full service provider means *“Lower costs, no travel, and broader audience participation vs. just conducting research in specific markets.”*

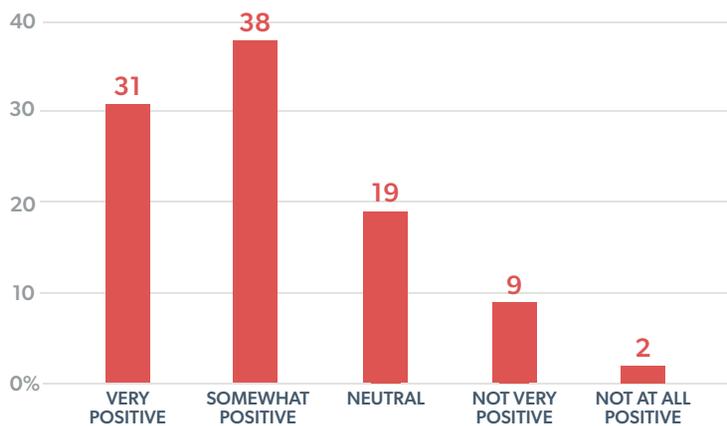
Others are blunter and to the point. The way of doing research will not return to how it was before *“because we're getting accustomed to [the changes] now,”* said one full service provider. Another noted a new way of doing things is here to stay *“because we have proven that it can be effective.”*

There will be challenges of course, as one qualitative recruiter, who noted that some things cannot remain changed indefinitely, pointed out: *“People will have different tolerance levels for meeting in groups. Recruiting for in-person will be harder for a while.”*

OPTIMISM FOR THE FUTURE OF MARKET RESEARCH

In what is certainly a nod to the flexibility and reliance of market researchers across all areas, few Insights Association members are *not* positive. In fact, a strong majority (69%) are either *“very positive”* or *“somewhat positive”* about the future of market research in the area they work in.

How optimistic are you feeling about the future of market research in the area you work in?



N = 330

Although research technologies and methods have changed for many market researchers, and not always for the best, what is observed here is largely consistent with broader economic and cross-industry trends. Firms and workers in knowledge-based industries are more flexible and capable of moving business online and transitioning to a work from home model for their employees. Market researchers are particularly well-suited to weather the economic impacts of COVID-19.

In fact, there is evidence that the broader shift towards using more digital technologies and online methods and platforms will serve the industry well as a more efficient means of doing research and as a cost-saving measure. More flexible working schedules and more working from home will likely be well received by employees and could save companies even more money. Not all services can go online, and some, especially qualitative researchers, will want to return to in-person services. There is, however, reason to believe that market research after COVID-19 will look very different and largely for the better.

Appendix

SIGNIFICANCE TESTING

We performed a series of bivariate hypothesis tests using the Kruskal-Wallis Rank Sum Test for bivariate hypothesis test for ordinal outcome variables and categorical independent variables, or, where the outcome variable is categorical, a Pearson’s Chi-Squared (both methods generate a X2 statistic). The point of these tests is to determine whether the differences in responses by market research areas for the outcome variables are statistically significant. We note that only in the case of “revenue change” are differences statistically significant (at the 95% confidence level).³ “Continue to do research differently” is, however, significant at the 90% confidence level. Any differences observed across groups for the other variables cannot be rejected as anything other than random noise (i.e., we accept the null). The significance tests presented here largely support our decision to not subset the data by groups and report differences in answers.

Significance tests for research area groups and outcome variables

<i>Variable</i>	<i>X²</i>	<i>p-value</i>
Revenue change	12.34	0.01
Use of research tech	3.29	0.35
Use of research methods	4.02	0.26
Continue to do research differently	7.49	0.06
Optimistic about the future	1.20	0.75

Notes: Output is based on Kruskal-Wallis rank sum test, except for “Continue to do research differently,” which is based on a Pearson’s Chi-squared test.

³For “revenue change,” a series of follow-up Pearson’s Chi-squared tests show the only group for whom the differences are statistically significant from the rest is “qualitative researchers.” Changes to business activities have been more severe for this group, as shown in this report.