

WACS Insights & Strategy

CORE MARKET RESEARCH TOOLS AND COMPETENCIES

- HOW WE CONTRIBUTE TO YOUR CUSTOMER INSIGHTS RESEARCH EFFORTS
TO HELP MAXIMIZE YOUR R&D, NEW PRODUCT AND DISRUPTIVE INNOVATION OUTCOMES

October 2017

ABOUT WACS Insights & Strategy



Our Mission:

To demystify and eliminate the 'nuclear science' aspects from quantitative market research to make it more psychologically accessible to end-users and stakeholders.

THE QUALITY PRACTICE:

"It takes 10,000 hours of practice to achieve top quality level at anything.....we're smarter for those 10,000+ hours...not just in terms of WHAT to do, but WHY we're doing it"

All projects conceived, designed, implemented, analyzed and reported to uncover **CUSTOMER INSIGHTS**, which inform:

Increased sales and market share

Maximized brand loyalty, customer satisfaction and retention

Expanded core customer base with minimal, if any, current customer alienation

Optimized brand equity

WACS Insights & Strategy TEAM

Total involvement of both principals along pathway towards project completion

Major points of contact on all projects are
Art Savitt, WACS CEO Jim Frisch, PhD, **WACS President**

Jim Frisch has over 30 years of professional market research experience. Jim has served in a number of executive and managerial level positions:

- **WACS I & S** (President: June 2002)
- Wolf*Altschul*Callahan-SVP/Director of Research
- Citibank (Research Director)
- Final Analysis-VP
- Young and Rubicam-Associate Research Director
- Heller Research-Associate Research Director
- Sherman Group-Project Manager
- Education: LIU (AB), University of California, Berkeley (PhD in Psychology)
- www.linkedin.com/pub/jim-frisch/5/152/27b

Art Savitt has held the following executive level positions:

- **WACS I & S** (CEO: June 2002)
- Global Strategy Group – EVP Sales, Client Services
- Audits & Surveys Worldwide-SVP Client Services
- Wolf*Altschul*Callahan-EVP/Director of Client Services
- Simmons MRB-SVP Client Services
- Beaumont Organization-EVP MRD/Client Services
- Ted Bates/Worldwide-SVP, MRD
- D'Arcy DeGarmo Advertising-VP, MRD
- Grey Advertising-MRD
- Education: Washington U., St. Louis (AB in Psychology), Doctoral Program at Columbia University (Social Psychology)
- www.linkedin.com/in/azsavittceowacsurveystratcons

WACS Insights & Strategy: CLIENT ROSTER

We have served a broad range of marquee brands:



WACS Insights & Strategy: CLIENT ROSTER (cont.)

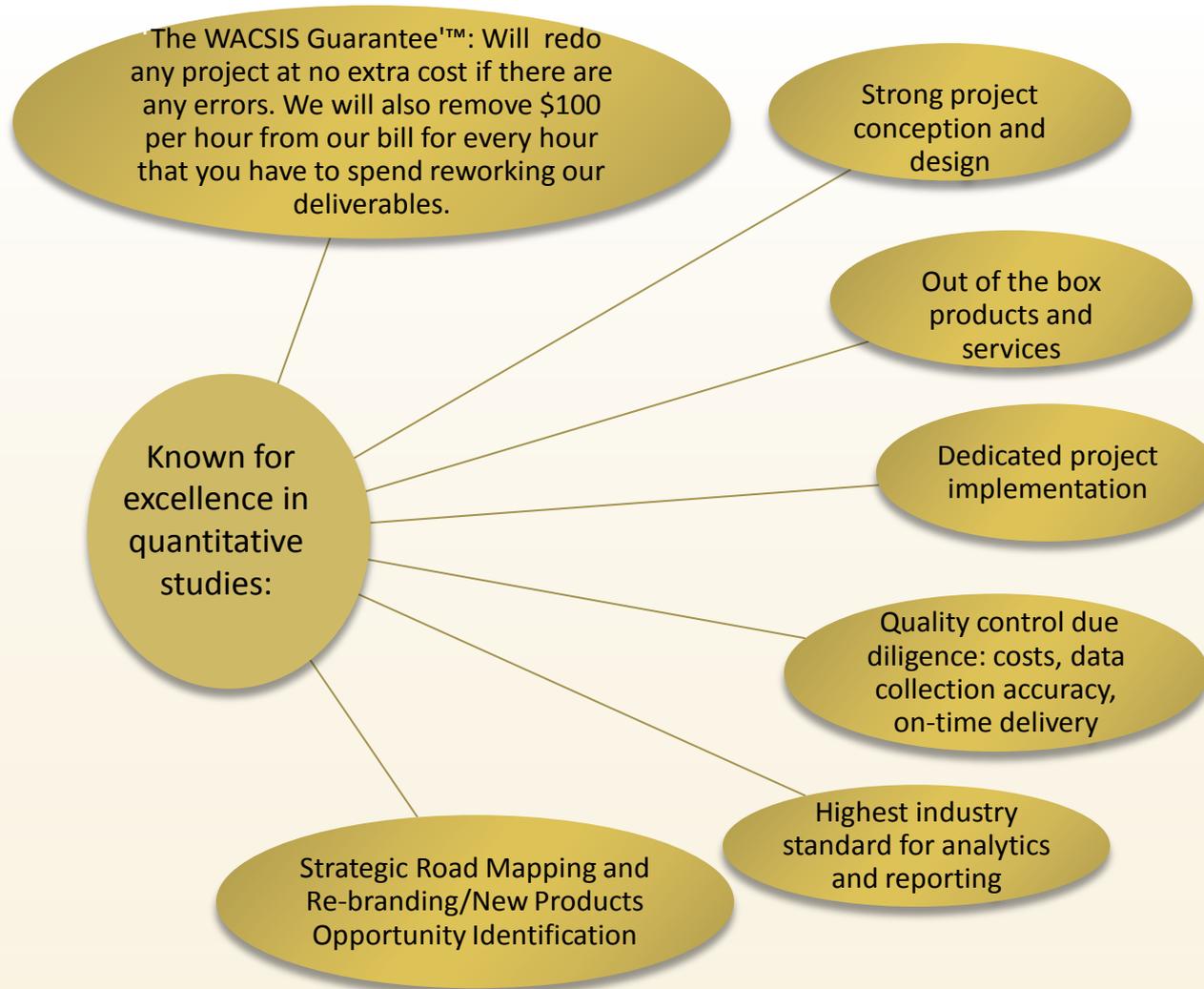
ABC-TV	COORS BEER	MANHATTAN MKTG ENSEMBLE	RICOH
AIG	CORNING	MACY'S	R J REYNOLDS
AILES COMMUNICATION	COVER GIRL	MARRIOTT	RYDER TRUCK RENTAL
AL-ANON	DANBURY MINT	MASTERCARD INTERNATIONAL	SAMSUNG
AMERICAN EXPRESS	DDB NEEDHAM	MCI	SC JOHNSON
AMTRAK	DICK'S SPORTING GOODS	McKINSEY AND COMPANY	SHELL ENERGY
ANHEUSER BUSCH	DISNEY DEVELOPMENT CORP	MERRILL LYNCH	SHOWTIME
ARBY'S	DMB&B	MICRON	SHRM (SOCIETY FOR HUMAN RESOURCES)
AT&T	DUNKIN' DOUGHNUTS	MIDDLETON TOBACCO	SONY
AUSTIN NICHOLS	EASTMAN KODAK	MOBIL CHEMICAL	STROH'S BREWING
AVAYA	ESPN/ESPN2	MONEY GRAM	SUBWAY
AVIS	FERRERO USA	NATIONAL BASKETBALL ASSOCIATION	TETLEY
AVON	FORD MOTOR COMPANY	NATHAN'S FAMOUS	TIMEX
BALLY	FOREX MARKET	NATIONAL GEOGRAPHIC	TIME WARNER
BATES USA	GATORADE	NATIONAL GRID	TOMMY HILFGER
BAYER	GLAXCO	NATURE CONSERVANCY	TOPPS
BBDO	GLOBAL HUE	NBC-TV	TROPICANA
BECTON DICKINSON	GM	NEIMAN MARCUS	T ROWE PRICE
BERKELEY COLLEGE (NJ)	GROUPON	NEW YORK COUNTY LAWYERS' ASSOCIATION	TURNER NETWORKS
BEST BUY	GUESS?	NEW YORK LIFE	21 BRANDS
BEST FOODS/CPC	HAAGEN DAZS	NIKE	U.S. ARMY
BLUE CROSS &	HACHETTE FILIPACCHI MEDIA	NIKON	UMDNJ (UNIVERSITY OF MEDICINE AND DENTISTRY, NEW JERSEY)
BLUE SHIELD (NY)	HARDEES	OGILVY & MATHER WW	UNITED STATES POST OFFICE
BROWN & WILLIAMSON	HASBRO	ORACLE	USA NETWORKS/SCI-FI CHANNEL
BURGER KING	HBO	ORTHODOX UNION	VERIZON
CABLEVISION	IBM CREDIT CORP	PEPPERIDGE FARM	WASHINGTON UNIVERSITY (St. LOUIS)
CAMPBELL'S	IFF	PILLSBURY	WEIGHT WATCHERS INT'L
CHASE BANK	INTERNATIONAL HOUSE OF PANCAKES	PINOTTI USA	WEISS AND HILLER LEGAL
CHRYSLER	IOMEGA	PLANTERS/LIFESAVERS	WORLDCOM (MCI)
CHURCH'S CHICKEN	JMI	PBS	WWE
CIBA VISION	J. WALTER THOMPSON	RADIO DISNEY	YOUNG & RUBICAM
CITIBANK	KELLOGG'S	REGATTA GINGER BEER	ZD NET
CLARINS USA	LORILLARD	REVLON	
CNBC	LUCENT TECHNOLOGIES	REXALL	
COMPAQ	M&M MARS	REYNOLDS METALS	

WACS Insights & Strategy: R&D, NEW PRODUCTS, D.I. CLIENTS

**AND THERE ARE MANY CLIENTS WHOSE R&D,
NEW PRODUCTS AND DISRUPTIVE INNOVATION EFFORTS WE ACTIVELY SUPPORT:**

J&J	Avaya	Ricoh
Topps Candy	Micron	Samsung
SC Johnson	Hagen Dazs	LG
MTV/VH-1	Groupon	Nippon T&T (Japan)
Ricoh	Pillsbury	Nokia (Finland)
Gatorade	Nike	Magyar Telekom (Hungary)
Chrysler	Nathan's Famous	Unicer Brewery (Portugal)
Verizon	Burger King	Jablotron (Alarms) (Czech Republic)
Subaru	Washington University (Mo.)	Luxottica (Italy)
Amtrak	NBA/WNBA	Arby's
Chase Bank	NY Life	Alfa Romeo (Italy)
MoneyGram	Kellogg'sand more
Tropicana	Best Foods	
Anheuser Busch	Kimberly Clark	
Miller Coors	McGraw Hill	
AOL	Radio Disney	
Showtime	Orthodox Union	
HBO	Ferrero USA	
USA NETWORKS	Sabra Foods	
SCI-FY	Posco Iron & Steel (So. Korea)	

WACS Insights & Strategy ASSETS



WACS Insights & Strategy

GENERAL DATA COLLECTION PROFILE

Traditional Consumer and B-2-B studies

Totally global: International studies. Full capability to conduct full-scale, custom studies in ALL countries, with special expertise in Asia. S.A., Africa, Pacific Islands, Europe

All data collection methodologies: Online, Phone, Mobile, Phone to web, IVR (1-800 #), In-person, CAPI, Mail, Diary, Social Media, Online Qualitative, Ethnographics, Mystery and Paired Shopping, Text and Video Journaling

Custom proprietary panel development for consumer and B-2-B research

Specialists in ethnic studies, niche, hard-to-locate, low incidence respondents

D-base mining to maximize previous data as input into market simulation modeling, D-base updating

WACS Insights & Strategy: ACCESS TO NICHE MARKETS



WACS Insights & Strategy HAS PERSPECTIVES ON BRANDING STRATEGY AND INCORPORATES THEM INTO STUDY PLAN AND DESIGN

- These perspectives shape our study design, project implementation and plan of analysis
- Our Branding Research studies can be implemented via quantitative, qualitative and social media tools.
- Every research study has BRANDING in mind as an ultimate purpose.
- Different types of branding studies we have conducted:
 - ✓ **Brand Essence:** attributes that distinguish brand from its competitors
 - ✓ **Brand Elasticity:** how far the brand can be stretched without diluting its essence
 - ✓ **Brand Equity:** assets of the parent brand that are transferable to other products, services or corporate entities
 - ✓ **Brand Equity Metrics:** evaluating/tracking impact of brand building on brand's equity
 - ✓ **Brand Integration:** translating essence to execution. How the essence of the brand can be integrated into every point of contact with people inside and outside the organization
 - ✓ **Brand Extension:** products or services that can be marketed under the brand umbrella that will benefit from association and reinforce or strengthen the brand essence
 - ✓ **Brand Leverage:** a brand's strengths that increase sales, profitability, market share
 - ✓ **Brand Equity Management:** priority strategies to leverage the brand's equity and profitability without diluting its essence
 - ✓ **Brand Alignment:** whether the intrinsic brand strengths and assets are aligned with image

WACS Insights & Strategy: VERSATILE METHODOLOGISTS

Many WACS I & S clients see us as invaluable for those projects that are multi-phase, i.e., qualitative followed by quantitative. They prefer to have a multi-tool research firm within the project umbrella moving forward from Phase I to II since it maximizes project continuity and efficiency.

WACS Insights & Strategy
has strong case history
expertise using FOUR
methodological tools:

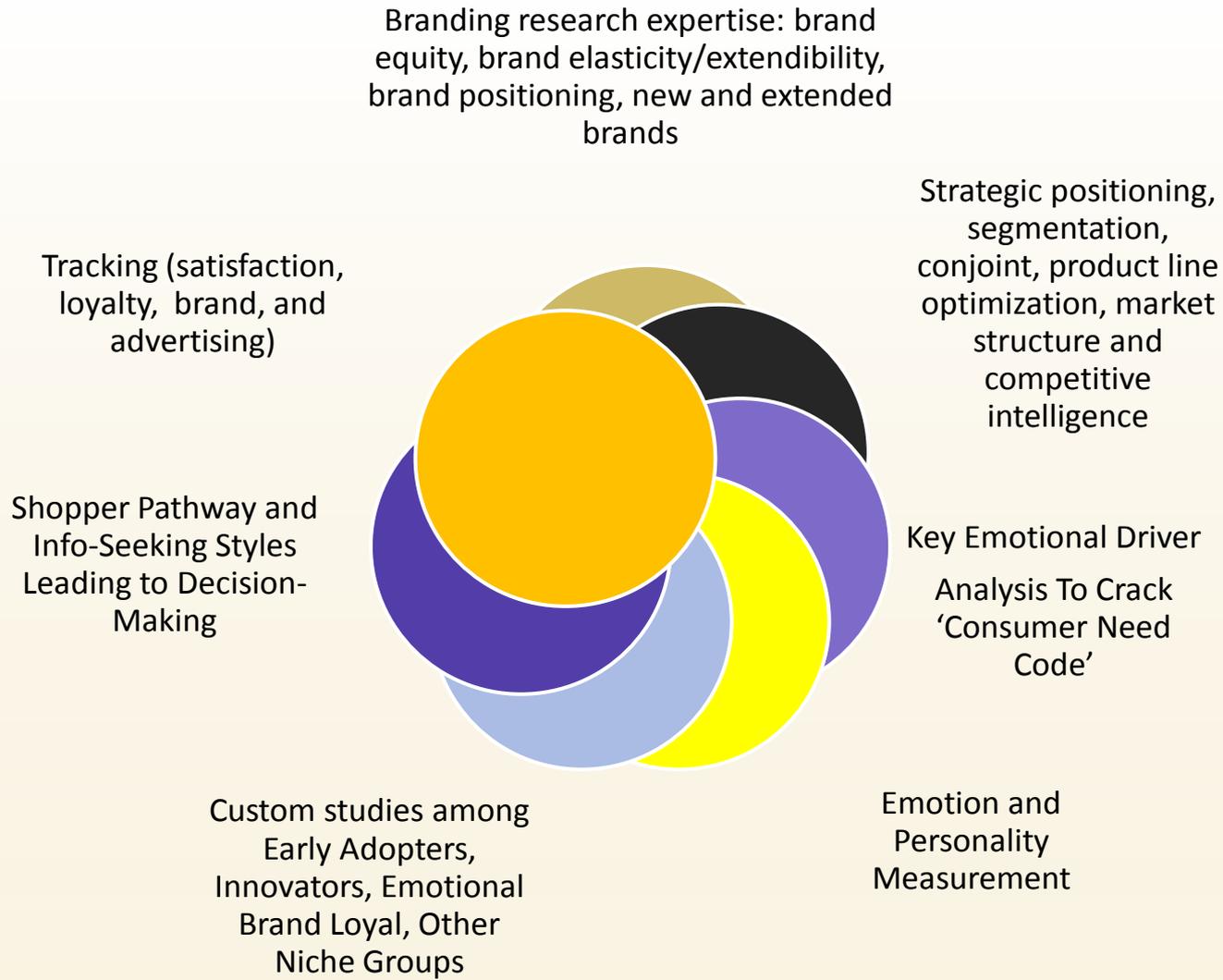
1. Complex quantitative research: tracking, segmentation, conjoint, product - concept testing, product line optimization, pricing studies, emotional measurement, ad testing, package, name, and logo testing, brand equity, brand loyalty, customer satisfaction, pathway monitors

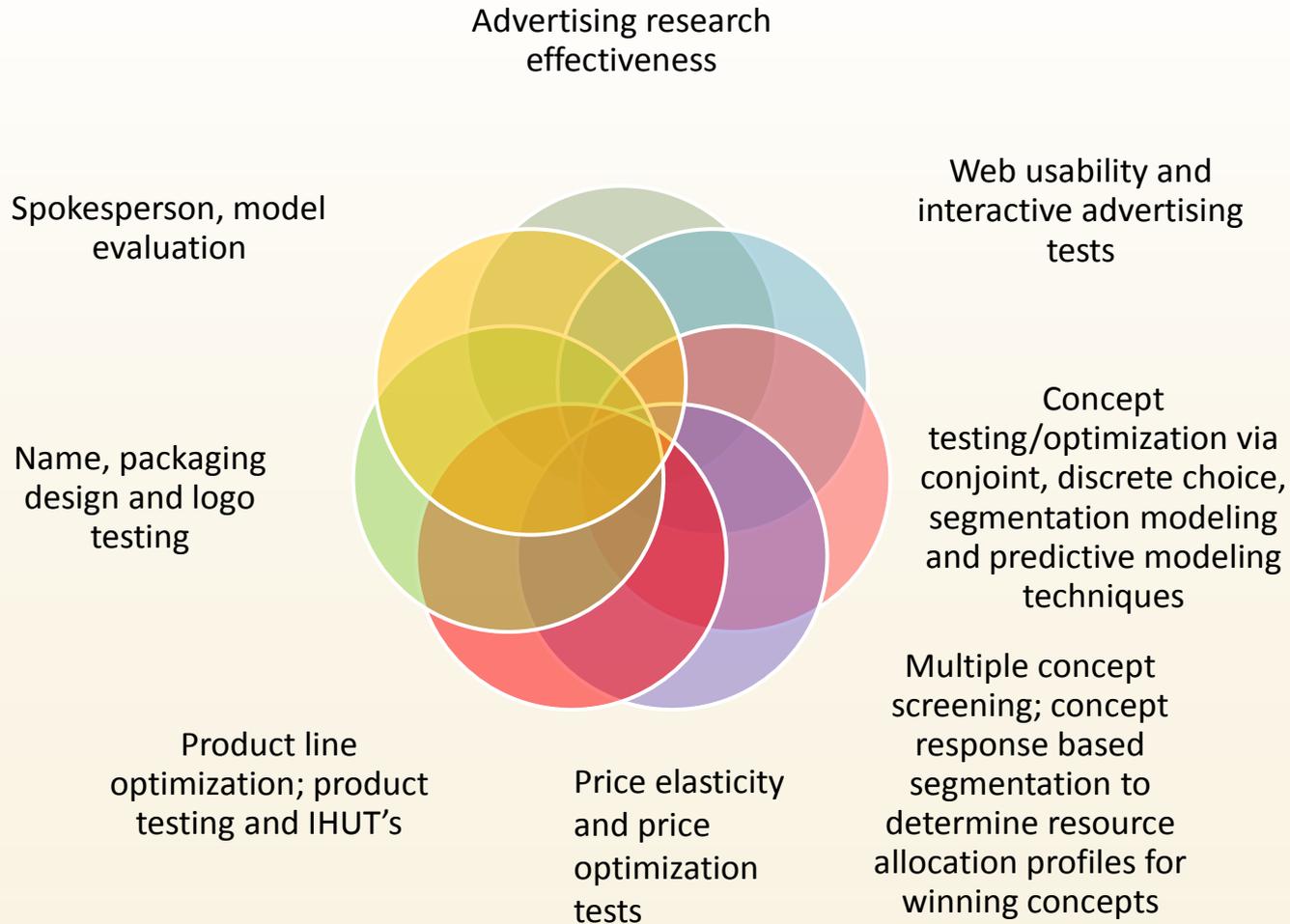
2. Qualitative studies: focus groups, IDI's, ethnographics, candid ethnographics, online qualitative, journaling, online usability lab, hypnosis, semiotics, synectics, content analysis

3. Social media methods: sentiment analysis, social gaming, crowd sourcing, online community research, Delphi methods,

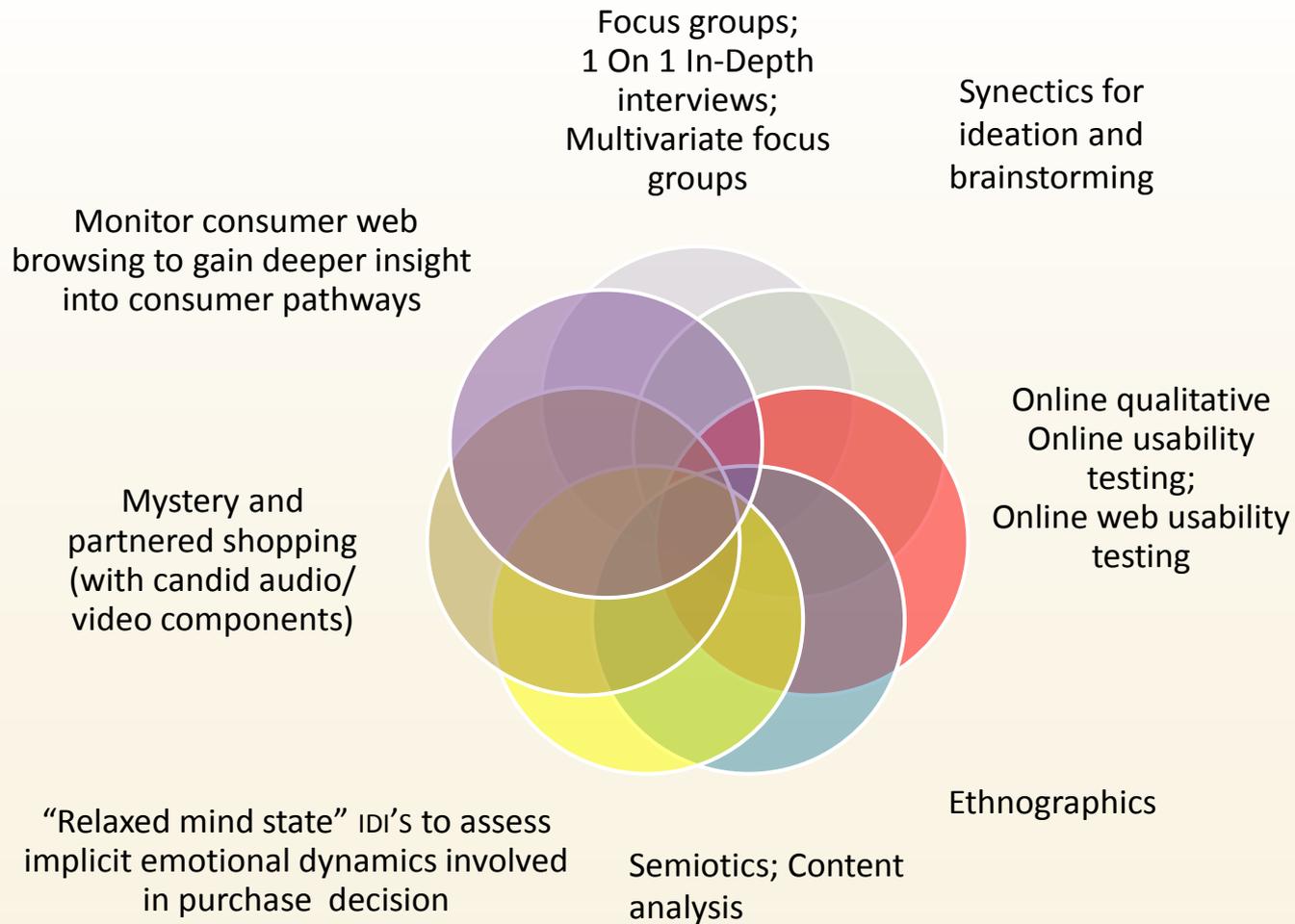
4. Data mining: re-visiting and reanalyzing previous studies, data; D-base tagging to optimize data bases for future efficiencies. Bayesian simulation modeling to predict and assess newproduct/new market opps.

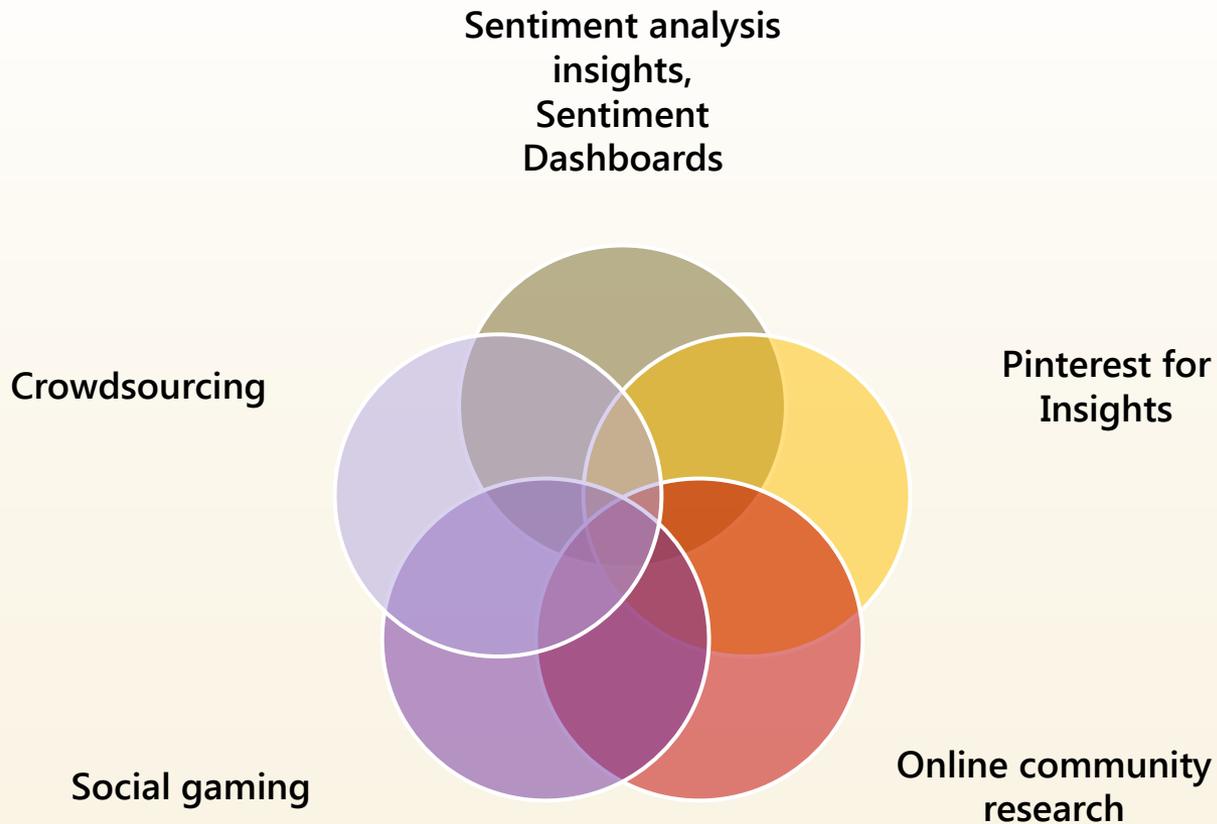
WACS Insights & Strategy **QUANTITATIVE EXPERTISE**





WACS Insights & Strategy QUALITATIVE EXPERTISE





WACS Insights & Strategy Qualitative Tool Kit

HYBRID/OUT OF THE BOX APPROACHES

THE BASICS

- * Focus Groups
- * IDI's

- Online
- In Chat rooms, Google Talk chat rooms
- Web and prod. usability

ETHNOGRAPHICS

- Video Journaling
- Mystery Shops
- Partnered Shops
- Surveillance Shops

- Multivariate focus groups
- Relaxed/state of mind sessions
- Hypnosis
- Semiotics
- Sentiment Analysis
- Emotional Pathways

SOFTWARE

- Monitor web browsing and e-commerce
- Sample scraper
- Synetics
- Problem Detection
- Sentiment Analysis

IDEATIONAL

WACS Insights & Strategy Description of Our Qualitative Tools

- **Video journaling** - Video Diaries, Online or Blog Journals, and Blogs can be used as stand-alone methods, as components with other online qualitative methods, or as a prelude to in-person research. Participants can show and share what they are thinking and doing in real-time or “take us on a tour”. Participants write or record about certain activities they experience naturally or during a journaling project.
- **Mystery shopping** - a tool used externally to measure quality of service, or compliance with regulation, or to gather specific information about products and services. The mystery consumer's specific identity and purpose is generally not known by the establishment being evaluated. Mystery shoppers perform specific tasks such as purchasing a product, acting as if they were potential buyers, asking questions, registering complaints or behaving in a certain way, and then provide detailed reports or feedback about their experiences. Tools range from simple questionnaires to complete audio and video recordings. Mystery shopping can be used in any industry, with the most common venues being retail stores, hotels, movie theaters, restaurants, fast food chains, banks, gas stations, car dealerships, apartments, health clubs and health care facilities.
- **Partnered Shopping** - moderator or ethnographer accompanies respondent on shopping excursion and records the event
- **Surveillance** - interaction is recorded by videographer without knowledge of participants (use of pencams ‘spyware’)
- **Multivariate Focus Groups** - use of survey procedures needed for input into creating multivariate analytics prior to or following focus groups or IDI’s

WACS Insights & Strategy Description of Our Qualitative Tools (cont.)

- **Relaxed State of Mind Sessions** - To extract, assess and reveal the emotional dynamics which are the combination of the experiences, cognitions, and emotions that work together to drive mortgage selection. Closest to approximating hypnosis sessions without using hypnosis. In individual interviews, with their knowledge and permission, we quiet respondents' analytical, defensive, rationalizing minds and induce relaxed states of mind that generate more emotional dialog. This type of dialog surfaces rich images and emotional language that conscious filtering defends and rationalizes. Many insights come from what would otherwise be held back in traditional direct dialog.
- **Hypnosis sessions** - Uses trained hypnotist to create hypnotic state (with respondents' knowledge and permission) which enables respondent to tap into his or her own unconscious to access formerly untapped emotions and needs
- **Synectics** - provides an approach to creative thinking that depends on looking at what appears on the surface as unrelated phenomena and drawing relevant connections. Its main tools are analogies or metaphors. The approach, often used in group work, can help consumers and internal personnel develop creative responses to problem-solving, to retain new information, to assist in generating writing, and to explore usage and behavioral problems. The technique helps users (a) break existing mind sets and (b) internalize abstract concepts. Synectics works well among respondents of all ages as well as those who withdraw from traditional methods (Couch, 1993). It is definitely a tool of choice to go beyond the limitations of traditional focus groups and individual depth interviews.

<http://wacsurvey.com/downloads/WACSurveySynectics.pdf>

WACS Insights & Strategy Description of Our Qualitative Tools (cont.)

- Semiotics - Semiotics is a discipline of assigning additional meaning or subtext to signs beyond the meaning of the sign itself.
 - **Semiotics can be traced to the Swiss linguist Ferdinand de Saussure as well as the American philosopher Charles Sanders Peirce. Semiotics began to become a major approach to cultural studies in the late 1960s, partly as a result of the work of Roland Barthes.**
 - **For instance, a picture of a Porsche 911 connotes more than a jazzy-looking car. The Porsche 911 also has semiotic meanings of affluence and "living the good life." The basic unit of currency in semiotics is the "sign."**
 - **This is an analytic approach we use to:**
 - ✓ Evaluate consumers' overall contextual takeaway from the advertising they view
 - ✓ This helps us to understand what consumers think brands are attempting to say about themselves

WACS Insights & Strategy Use of Web Browsing Monitor Software

- Rationale: **WACS I & S** has detected the major shift that has occurred in the way that consumers have been shopping over the past several years and, along with U.S. Retailers, expects that even greater sales revenue will be derived from online, mobile and social commerce sites over the next five years.
- In order to help its clients leverage this shift in the way consumers now shop, **WACS I & S** has wanted to understand the dynamics that influence the consumer purchase path decision process (both on- and offline) by specific product category and multiple channel usage.
 - ‘Pull Marketing’ strategy avers that consumer behavior is impacted by demo-, lifestyle, socio-economic and attitudinal drivers that marketers can successfully influence.
 - Now, however, consumers have been rapidly moving towards multiple digital channel shopping, thus a more granular understanding of the consumer purchase path is needed in terms of new vs. traditional channel usage and product type
 - For retailers to maximally succeed in the future, they will need a clearer understanding of consumers’ new and different shopping and purchase behaviors, which will inform the development of more effective touch-point, messaging and media utilization strategies
- **WACS I & S** now has a unique tool to help demystify the purchase pathways that shoppers take as they move closer to their ultimate purchase.

WACS Insights & Strategy Use of Web Browsing Monitor Software

- Provides an understanding of:
 - ✓ How web users seek out, surf for information regarding planned purchases
 - ✓ Web users' navigations, sequencing, click-throughs and time spent (which reflects 'engagement')
 - ✓ What competitive entities are searched, thus indicating a competitive 'array'
- How it works: With respondents' knowledge and approval, we journey with participants over the course of fielding (e.g., one week) to uncover attitudinal and behavior based insights around considering a home mortgage. We are able to observe their activities and hear their thoughts as they are happening via desktop, laptop and smartphone (via mobile pocket camera).
 - ✓ We implement video capture of the participant's entire desktop along with a synched video-cam recording of the participant's facial expressions and their narrative.
 - ✓ For mobile experiences, participants can either hold a pocket camera over their mobile to capture their full screen or upload mobile screenshots.
- Respondents are given a site to which they record their desktop. We then will provide a direct link to this site within the assignment they are responding to. Participants will upload their recording into the platform to complete the assignment. During these sessions, the participant screen as well as their face will be recorded (via their desktop camera). Your final view will be a combination of these two responses.

Ethnographics attempts to understand behavior and culture by finding target customers wherever they are, while they're doing whatever it is they do.

It means entering someone's 'world' for a while, be it for a couple of hours or a couple of days, or for some ambitious clients, a couple of months.

A major difference between ethnography and other types of research lies in the depth and intimacy of data collection.

1. We get up close and personal to our research participants.
2. We spend time with people in the natural context of their daily lives.
3. We watch the world with a wide-angle lens. We watch, we listen, and we learn, and we do all of this in the context of where the action normally occurs: in their home, at their work, at the local gym, wherever the behavioral meets the product categorical.

WACS Insights & Surveys Ethnographics (Cont.)

Some of the venues in which WACS Insights & Strategy has spent time with respondents:

- Bowling with elderly respondents to get their reactions to a new pain killer remedy
- Health clubs' locker rooms to view men's shaving and cologne usage habits
- In living rooms, observing how men and their spouses view 'Monday Night Football' with each other and how kids view 'Inside Stuff'
- In offices across the U.S. observing how workers utilize fax, shredding, copier, and scanning machines—as well as various office and business software products
- At bars or at social events with beer and whiskey drinkers to obtain attitudes towards alcoholic beverages and observe their bar ordering and drinking behaviors
- In retail outlets and showrooms observing prospects for new television purchases
- In bathrooms watching homemakers scrub their floors, tubs and tiles
- Retail venues for observing pure shopping behaviors, body language, for ethnographer to act as shopper while engaging other shoppers
- At kids' parties, observing how they eat ice cream and candy
- At fast food restaurants, observing how they place orders, how they 'doctor' their burgers
- Or online, remaining on the pathway with prospects up to and including the point where they fill out application forms to receive loans and credit cards, sign up for training programs or education courses, or for weight control programs.
- NOTE: HOME MORTGAGE PROSPECTS COULD BE visiting the Fannie Mae website as part of their protocol to learn about mortgage loan offerings, or actually applying for a Fannie Mae mortgage

We adopt a phenomenological approach:

- We don't go into the field with too many preconceived notions or with a script. We take on the role of 'non-participant/observer', as if we've 'just arrived on Earth'.
 - We let the people we talk to lead the way
 - They tell us what is important with their words and their actions
 - Because of this, results become more vivid and real. Our findings are oils compared to the watercolors provided by focus groups, richer and deeper than those produced by more traditional methods. Our insights become not only actionable, but hard-hitting and memorable

Why conduct ethnographic research?

1. Crack the code, and you can develop insights leading to new brands, products, and services that more effectively serve your unique 'tribe' of customers
2. Consumer groups, have their own language, rituals, symbols, and values.

Current Ethnographic Approaches

- Primarily observational based
- Supplemented by:
 - △ direct questioning,
 - △ in-person group or in-depth, one-on-one interviewing
 - △ applications of diary maintenance
 - △ respondent given tasks, the interpretation of which reveal further insights
- We often employ candid surveillance approach, sometimes supplemented by interaction with respondent

Some of the primary data collection methods that are used include:

- Observation
- Candid observation (use of pencams)
- Narrative Inquiry
- In-depth Interviewing
- Elicitation
- Audiovisual recording
- 'Befriending'
- Tasking and assignment fulfillment
- Usability, including web, product
- Purchase and brand pathway decision-making tracking (tracking web navigation)

WACS Insights & Strategy has been deploying some of the following ethnographics innovations:

- ✦ Supplying vid-cams to respondents (as incentives). They videotape their assignments (e.g., their online shopping, browsing behavior, filling out applications, discussions with others) then they send them to us for analysis
- ✦ 'Candid Camera' surveillance video-taping in retail shopping venues using professional video/audio equipment ('spy ware' pen cams)
- ✦ Videotaping and observation of subjects behind one-way mirrors
- ✦ Having them conduct interviews with other shoppers in retail venues
- ✦ Having them videotape their own projective technique exercises (brand personfication, obituaries, what their lives would be like without 'Brand A')

Examples of 'Natural Habitat' Observationals:

- Viewing/participating with target respondents in their most enjoyable activities and engaging them in discussions/hands-on behavior re product in question (key: determine favorite pastimes of target market):
 - Poker nights
 - Bowling parties
 - Bingo nights
 - Backgammon tournaments
 - Scrabble tournaments
 - Chess tournaments
 - Super Bowl/MNF viewer parties
 - The Web

WACS Insights & Surveys Ethnographics Clients

ABC Monday Night Football

Anheuser Busch

Arby's

Avis

Bayer

Burger King

Campbell's

Chase Bank

Clarins USA

Gatorade

Global Hue

Hardee's

MasterCard

Merrill Lynch

NBA

NBA/NBC: 'Inside Stuff'

New York Life

Ricoh

Samsung

SC Johnson

Tommy Hilfiger

Topps

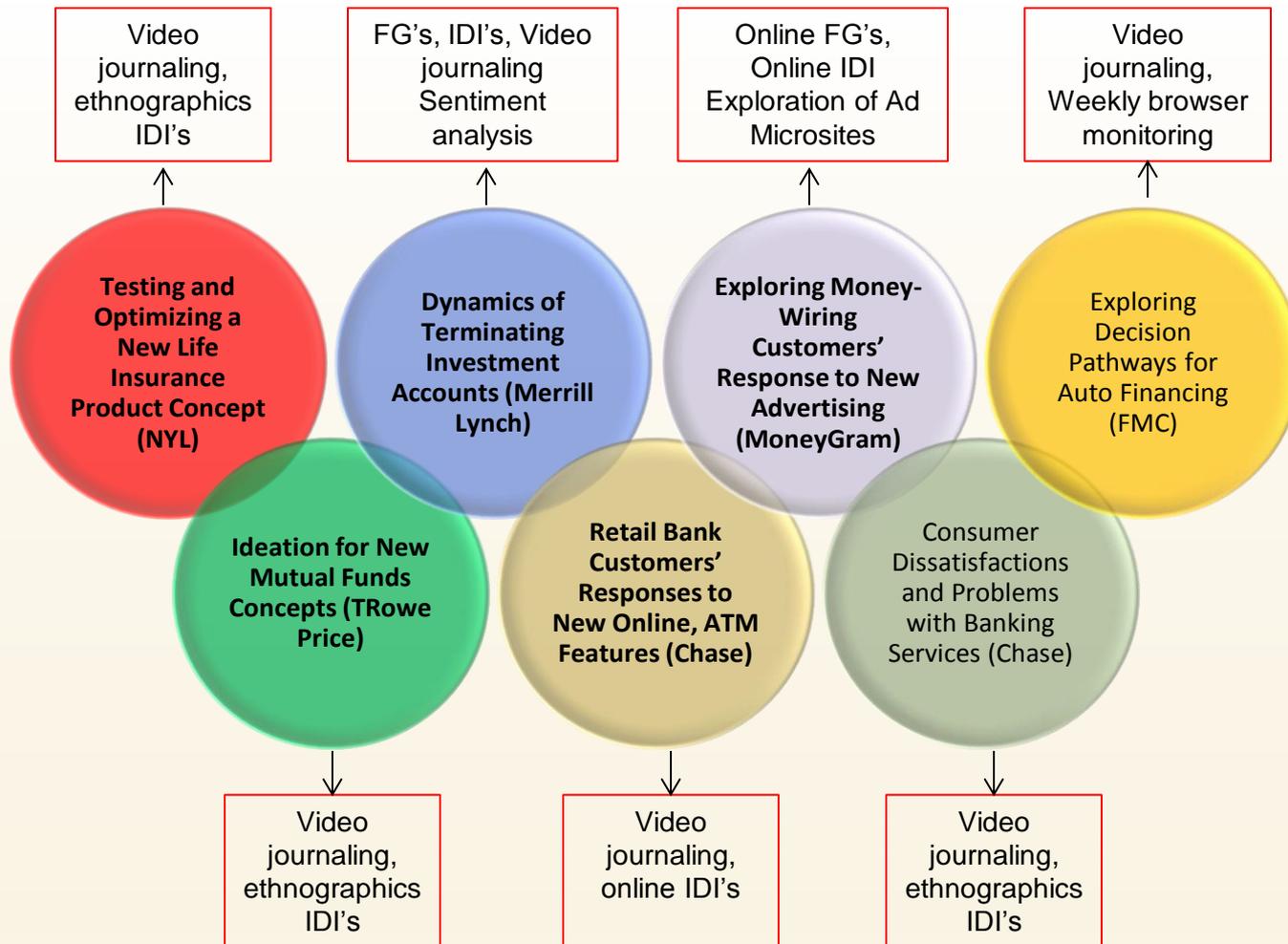
T. Rowe Price

Verizon Wireless

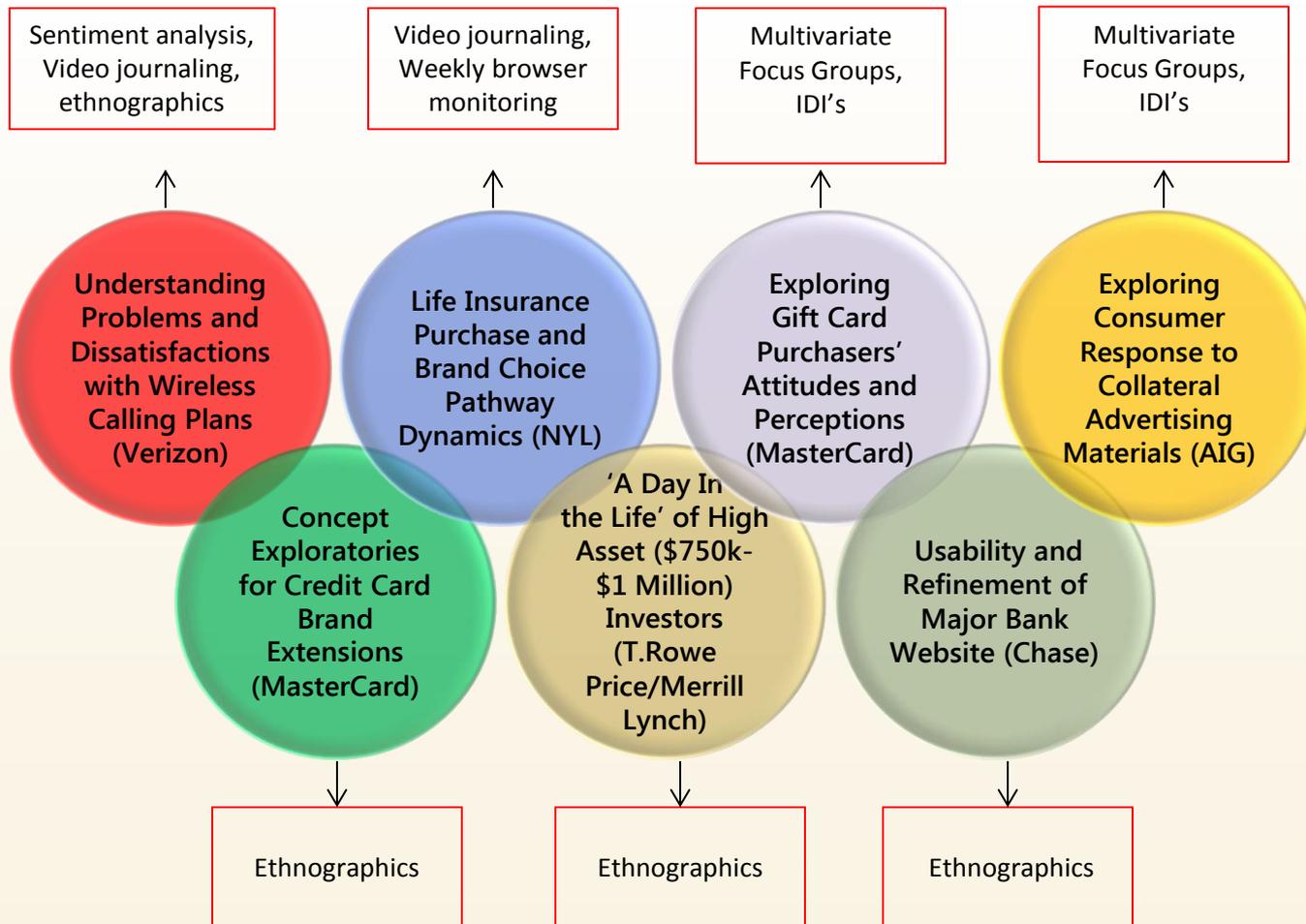
Weight-Watchers

Weiss and Hiller

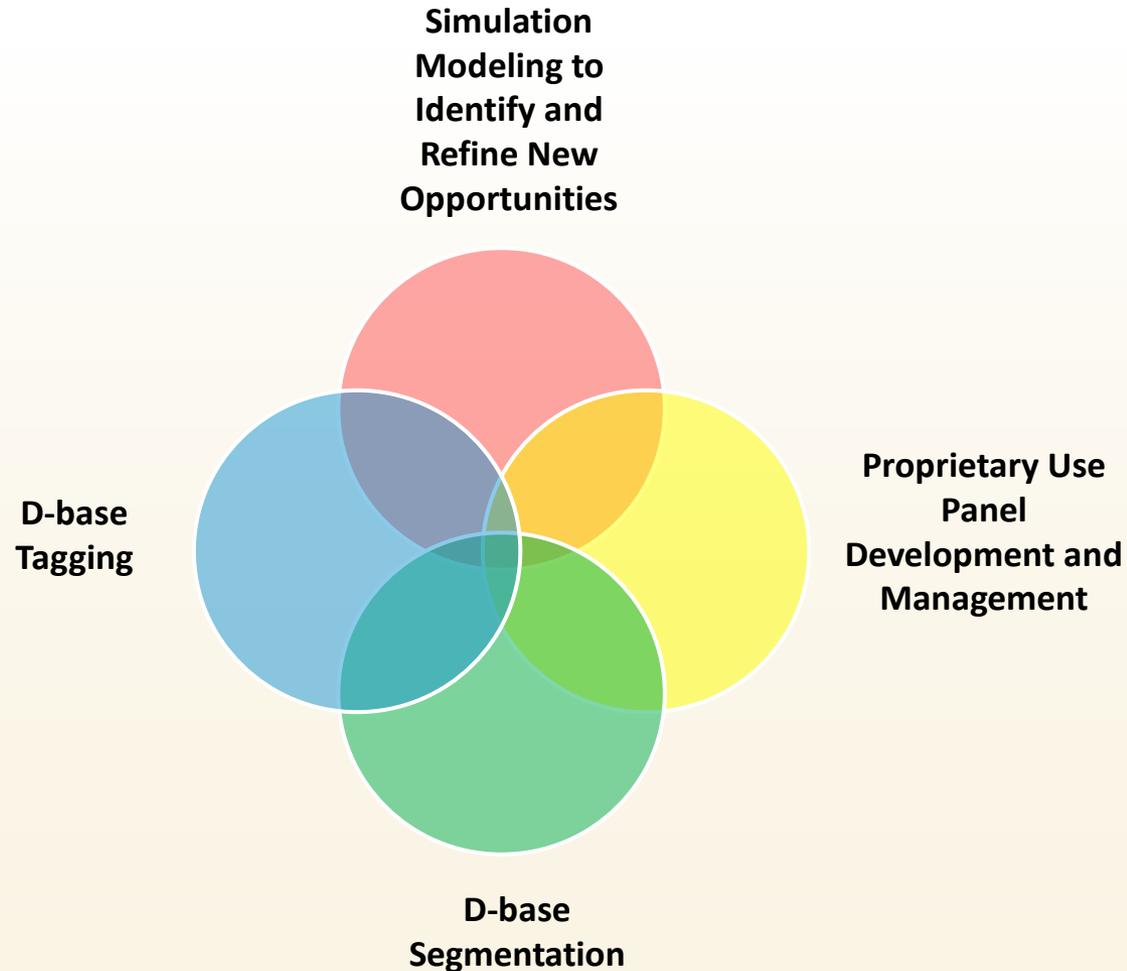
WACS Insights & Strategy SELECT QUALITATIVE CASE HISTORIES



WACS Insights & Strategy SELECT QUALITATIVE FINANCIAL SERVICES CASE HISTORIES



WACS Insights & Strategy D-BASE MINING CAPABILITIES



A NOTE ABOUT OUR D-BASE MINING CAPABILITIES

WACS I & S has worked with many advertisers, retail and service organizations, helping them to maximize their customer D-base lists using tagging and algorithmic efficiencies.

- Identifying and tweaking new product opportunities via simulation modeling
- Satisfaction. customer retention surveys,
- Testing new or refined marketing efforts,
- D-base segmentation for identifying optimal customer against whom to develop and test new products, efforts, etc.
- For tagging existing D-bases (e.g., to assign existing customer bases to segments)

WACS Insights & Strategy: EMOTIONAL RESEARCH

PLUTCHIK THEORY:

44 Validated Emotions
Which Explain How
People FEEL When They
Purchase, Use Brands,
Consider Brands, Watch
TV Ads, Try New Products

Emotion
Used In
New
Product
Design



Emotional
Brand
Loyalty

EMOTION-BASED

Segmentation, Brand
Equity,
Brand Positioning,
Key Driver Analysis,
Quadrant Analysis

ADDITIONAL TOOLS AND CAPABILITIES

- Youth Panel (Ages 13-21)
- Early Adopters Panel
- Custom Panel Development
- Emotional Brand Loyalty Model
- Emotional Research and Modeling
- Consumer Decision Pathways
- Insights Analysis
- Proprietary Scraping Software for Locating and Recruiting Target Respondents
- Multivariate procedures applied to qualitative studies
- Total Global Capabilities
- Proprietary Scraping Software for Locating and Recruiting Target Respondents

FOR FURTHER INFORMATION

WACS Insights & Strategy appreciates your interest in our services.

Should you have any questions or require further information, please contact us.

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