

Past JETRO Client

Vision Critical Transforms Marketing Research Methods in Japan

Insight Communities Bring Brands Closer to Their Customers Than Ever Before

Interview with: Mr. Bruce Wells, President and Managing Director, Vision Critical, Asia (Hong Kong) | Mr. Shigeru Kishikawa, Managing Director, Vision Critical Japan Inc. (Tokyo)



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May, 2013 – Circumstances surrounding market research are rapidly changing with the ongoing boom of social media and smartphones. People are connected online more than ever before. Consumers communicate with brands differently and online media is overflowing with customer voices. As the media landscape continues to change swiftly, so must the methods for collecting feedback.

Vision Critical, a marketing technology company based in Vancouver, Canada, recognized a need for creating a better environment for brands to capture consumer **insights**. That “better environment” takes form in Vision Critical’s online insight communities, where brands can gain almost instantaneous feedback from their customers and stakeholders and engage deeply with them over time for continuous insight generation.

Vision Critical’s Tokyo office, which opened in November 2012, became their fourteenth location worldwide. JETRO provided the company with support as they moved into the Japanese market, guiding the process and identifying requirements. JETRO interviewed **Mr. Bruce Wells, President and Managing Director, Asia** and **Mr. Shigeru Kishikawa, Managing Director of Japan**, both of whom expressed their mission to transform marketing research methods in Japan and Asia.

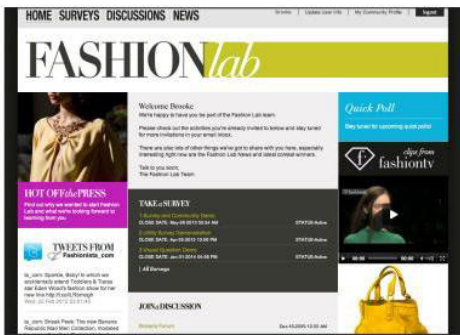
ONLINE INSIGHT COMMUNITIES COLLECT TIMELY CONSUMER INPUT AND IDEAS

Vision Critical’s insight communities concept allows brands to conduct research through a highly engaging online environment with their customers. After creating an insight community via Vision Critical’s platform, a company will reach out to their customers and encourage them to join and participate in this insight community environment. By conducting marketing research in an interactive environment with a customer base that is already engaged with the brand, consumers’ real opinions (be they positive or negative) can be obtained around-the-clock continuously.

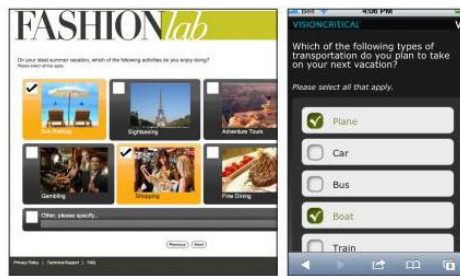
“Imagine you walk down in a corridor of your office and there is a conference room that you can go

into any time you want during the day,” Mr. Wells said. “In that room are thousands of your customers, who are there to give you feedback.” This is the idea behind the insight communities concept: making customer insights available instantaneously at the executive level.

Mr. Wells viewed “insights” as getting closer to customers. Identifying customer insights means understanding what motivates them and what their interests are, and it has become an important element of marketing activities. Vision Critical’s insight communities help businesses collect valid insights to formulate their marketing strategies.



Vision Critical’s research is conducted via innovative mobile and web technology. Mr. Wells noted two key advantages to their product. The first is their online profiling system. Unlike many other offline marketing systems that gather feedback on a single-use basis, Vision Critical assigns each customer their own individualized profile, tracking their feedback each time they engage in the insight community. With this method, businesses can examine the evolution of a customer’s feelings toward a brand over an extended period of time.



The other advantage is speed. Online insight communities enable businesses to collect customer voices soon after the customer’s engagement with a product. With the spread of smartphones, consumer insights can be shared in real-time. This enables businesses to make critical marketing decisions fast enough to stay competitive.

Insight Communities interface
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CLIENTS DRIVE FOCUS OF VISION CRITICAL IN JAPAN & ASIA

Vision Critical’s insight communities have grown to support over 650 brands worldwide. Global brands gave Vision Critical a presence in Asia for years, long before they even opened a local office, as their clients already had customers in Asia online. “It is no surprise to anybody that potential in Asia is enormous,” Mr. Wells said. “It is already an enormous economic engine of the world.”

It was a smooth move for the company to build a local presence in Japan offering support to partners and clients with local market knowledge. “The Japanese market has all the foundational components for the value proposition Vision Critical has to offer,” noted Mr. Wells. Internet use is exceptionally high

among the general population, and cell phones are in constant use. He also explained that while Japan is the third largest economy in the world in terms of GDP, when looking just at the industries that are most relevant to Vision Critical's business, Japan would be viewed as the second largest economy in the world. "Early indications [of the insight communities concept] are very positive [in Japan]."

Vision Critical's expansion model in Japan and Asia focuses on providing their technology through local marketing research agencies. Vision Critical seeks partnership with local agencies that would provide understanding of the clients' needs in their respective markets. Vision Critical believes that this partnership model combines the best possible technology with the best possible services in Asia.

TRANSFORM MARKETING RESEARCH METHODS IN JAPAN

Vision Critical believes that online insight communities are the next generation of marketing research. "We are [in Japan] to transform research methods," Mr. Kishikawa stated passionately. According to him, the Japanese research market was about 170 billion yen in size in 2011, and online research makes up about 60% of that market (or 100 billion yen). That percentage is still relatively small when looking at Western markets.

Mr. Kishikawa explained a few reasons why: in existing online surveys, participants are offered a reward upon completion, which sometimes becomes the participant's main goal. They may fill out the survey with irrelevant information and feedback may become invalid. The surveys are also generally long in Japan, which causes participants to grow bored and lose motivation. Due to lack of interest, the data is of very low quality. "Insight communities are a good solution to reinforce the value of market research," said Mr. Kishikawa.

The emerging social media boom in Japan has played a big part in making a welcoming ground for Vision Critical's insight communities to arrive in Japan. In the past, Japanese consumers were reluctant to express their opinions online. Social media, however, has slowly made a successful entry into Japan in the past few years. "Insight communities are built in a social media environment.



Mr. Bruce Wells, President and Managing Director, Asia (left) and Mr. Shigeru Kishikawa, Managing Director, Japan (right)
Photo: Vision Critical

Customers post comments, answer questions, upload favorite photos and videos, and write blogs and diaries,” Mr. Kishikawa noted. The market is ready to exercise the advantages insight communities can offer.

Vision Critical is the pioneer of insight communities research. The company believes that insight communities providers like Vision Critical should help educate the value of this innovative approach to research, raise awareness, and grow the industry. “Education is really part of our DNA,” Mr. Wells stated. The company feels a heavy responsibility to ensure that best practices are implemented in the marketplace. One example is the launch of Vision Critical University in 2012, to openly share best practices for creating insight communities. The company also holds seminars in Tokyo and other cities in Asia, driving the development of the industry. Having an office location in Japan makes it easier for Vision Critical to drive awareness of the insight communities concept in the Japanese market.

Vision Critical's Japan office started with one single staff member, Mr. Kishikawa, but has since expanded to a team of three. The company aspires for technical and business development resources to fulfill their mission: channel the company's passion into changing current marketing research methods. Vision Critical is determined to play a significant role in the market research industry. “I hope more people join in our approach,” Mr. Kishikawa concluded.

ABOUT VISION CRITICAL

Worldwide Headquarters

Vision Critical

Vancouver, BC, Canada

www.visioncritical.com

Year founded: 2000

Employees: over 600

Executive Chairman: Angus Reid

Japan Office

Vision Critical Japan Inc.

Chiyoda-ku, Tokyo

www.visioncritical.jp

Year founded: 2012

Employees: 3 (as of April 1, 2013)

Managing Director: Shigeru Kishikawa

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**Note: The opinions contained in this article are based on the experiences of the interviewee. They are not representative of all experiences in Japan or working with Japanese companies, and do not reflect the opinions of JETRO.*

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