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Insights Leaders COVID-19 Roundtable

June 16, 2020

Panelists

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Thank you to CiviCom for providing the following roundtable transcript.



Lenny Murphy: As always, we start off with the big question, **where are things in your businesses now?** You can put that in whatever context you want to from a historical standpoint. Pierre, I'd actually like to start with you since Ipsos is such a large kind of DIY that I expect you've got a pretty broad perspective. Where are things from Ipsos's perspective now?

Pierre Le Manh: We have maybe the blessing and the curse of being very broad in terms of sectors, in terms of offerings, in terms of countries and markets where we operate so, whatever happens, it's always to a lesser extent at Ipsos than in some more maybe smaller or more focused companies. We've seen our business, of course, shrink in Asia pretty quickly in the year. For a while, I think like everybody else in the US market, we had a false sense of security because on the back of a very strong year last year, our first weeks of the year were fantastic. We had a double-digit growth organically, which given our size - we have 3,000 people in North America so given our size, that's not usual but then suddenly, of course, as everybody else, sometime in March, everything shut down. We saw the volumes go down quite a lot. Clients were very cautious. They were postponing projects. In April, for instance, the level of new sales was down by about 20% which is a big deal for us, of course, given our size but then the level of cancellations and postponements and projects that were put on hold was enormous. We had to deal with this but we're already seeing China in a way, stabilizing and growing again so we knew that this was a temporary thing and we had to be careful not to cut our ability to deliver the day the rebound comes. We focused on that and yes, indeed we built our plans like everybody else I guess in probably April, made sure that we would be able to go through all of not unscathed because nobody is unscathed but at least, make sure we could pay our employees, we could deliver a reasonable performance in that area and then April was terrible of course. May was better. June is going to be below last year still but on the path to recovery that we're expecting and actually, slightly ahead. We've seen very, very different situations, of course, from one sector to another. As you can imagine, our plants in the automotive industry, in the hospitality industry have been basically shutting down budgets or really spending at the minimum level that they could afford at this time. On the contrary, our business with the US federal government has been doing pretty well of actually, expanding in fact. In many areas like tech, like the financial sector, like even CPGs, things have not been



that bad so all in all, we're hanging in. Of course, in terms of offering, some areas have done better than others. If you think of everything which takes the pulse of markets provides very quick information. There was a huge demand of that kind of research. Conversely, if you think of mystery shopping, for instance, that's an area where we've seen most projects have been delayed because, of course, there's nothing you can do when all stores are closed, all points of sales are closed but even in these areas, right now, our businesses were dangling because we're doing a lot of health and safety audits as many stores are reopening or planning for reopening. They want to understand how consumers perceive the safety measures that they are taking at their stores including when it's curbside pickup or delivery. As in anything, opportunities, the total level of or the overall level of our business is still not where we were last year but on the path to recovery and I think we would stabilize over the summer. Then probably, I expect that in the last part of the year, we might even actually grow again in part because stuff that was canceled or postponed will come back. It will all depend on how the economy is going to fare and if clients feel at the end of the year that they have money left and that they are doing actually better than they thought, in which case, I think we will see a rebound and then it will be about being able to deliver.

Lenny Murphy: Okay. That's great. I mean that's like so talking about mystery shopping and the in-person stuff. Brett, that's obviously an area that's really close to home for you from a facilities standpoint. **What's your take especially as you're reopening facilities now going back to in-person research?**

Brett Watkins: Yes. I mean if you chose me to take the opposite side of Pierre's optimism, I'll be happy to chime that in at this point. Certainly, March and April could've been – if you want to look at historical events, I don't know of anything that could have been – when we lay out business strategy and planning, we try to think ahead and anticipate what can go wrong or go right and obviously, laid plans to do that. Unfortunately, I was definitely not one of those who ever envisioned that there would be something that could just shut the entire industry and/or great deal of in-person all industries down, right? The first few months definitely were exceptionally painful. We spent that time in a couple of different areas which I'm sure we'll explore later on in terms of how we invested our time and strategy but really, it was about, okay, retrenching and how we look forward. I'd say the good



news is, to Pierre's point, that we are starting to see some things begin to shake and rebound. I would say that the biggest obstacles that we see right now are as things begin to start picking up again and in-person begins, obviously, we – most all things were shut down so quarantine prevented any kind of work like this until first states in the US were really states like Ohio that were reopened in early May. Now, we're about to where most every state except a few of the largest major metros in the United States have reopened again. Overall, things are beginning to pick up and I would say the biggest obstacles that I see at this stage are whether the brand – product itself has unfrozen budget or it's just comfortable to travel again. Most companies still have large travel restrictions and many of those companies continue to – I have work-from-home requirements until July so the question now is just when do they intend to – I've been trying come up with a new phrase of "get back to normal" because I don't think there's any such thing as a normal again. Whatever this new modality is, what does that look like and I think that July seems to be the big tipping point as to when we're going to see most people start to make some decisions where I'm at.

Lenny Murphy: Okay. All right. Alejandro, focusing on UX, we've seen CX do fairly well. During this time, there's been an emphasis on folks wanting to understand consumer perception. I've heard anecdotally that UX has done fairly well particularly as companies who had to shift to digital when they didn't necessarily have a digital channel for shoppers, et cetera, et cetera. **Has that been your experience? What are you seeing from that standpoint?**

Alejandro Rivas-Micoud: Yes, absolutely. Starting the year, we had come off a really fantastic 2019. Our platform is for remote user accessing and we grew our revenues by 3X in 2019 so we were very happy. The year started out very strong. In fact, March was our strongest month ever. February, seeing what was happening, we told all our employees to go home and work from home from that point on. In April, we detected the softness. Clients that were in the airlines industry or in the travel sector like a travel agency, things like that, "Hey guys, we're not going to be able to renew" or "We need to wait a few months before we renew" or "We have no idea what's going to go on, what's going to happen in six months. Can you give us a helping hand?" We did the best we could there. April, May were both softer months but not too soft given the wider economic context. I mean pretty much on a par



with February which was a good month so not as good as [Audio Gap]. June now has started to become very, very strong. It looks like it will beat March. What we're seeing is really three oppose – well, actually, two opposing trends. On the one hand, you have the uncertainty, the cuts in budgets, all those kinds of things, that's obviously a negative trend. On the other hand, as you pointed out, a lot of entities are saying, "Okay, to the extent that I have to have some budget, I'm going to focus in on digital channels rather than offline channels" for obvious reasons and the biggest trend of all we've seen has been companies that have said, "From one day to the next, we have to move all of our research online." We had banks just coming to us saying, "We need something immediately to get online and remote." [Audio Gap] not really sure in April or May, which one of those trends would prevail. I would say that the negative trend slightly prevailed but just a little bit and the other positive trends compensated most of that. What I will say is that June, we've seen just existing clients just all of a sudden ramp up their projects and their studies and new clients coming in the door and so, we have a very positive feeling right now.

Lenny Murphy: Okay. That goes along – I think what Pierre - and I see you nodding as well and what we've heard in the last few weeks is definitely an emphasis on we have to do this type of research now, right? There's been this critical focus on very tactical blocking and tackling, what's happening and how do we engage consumers and how do we optimize this from a business standpoint and that's been the trend.

Pierre Le Manh: Actually, Lenny, if I could just - sorry.

Lenny Murphy: Yes. Go ahead. Go ahead.

Pierre Le Manh: Sorry. I just want to second, UX is actually one area that is still growing compared to last year at the end of May, right? We found the exact same thing as Alejandro did, same thing.

Lenny Murphy: Okay.

Pierre Le Manh: Yes.



Lenny Murphy: We've got this tactical focus that's been driving things. Now, we've heard the last few weeks that there's also been a gradual shift towards more of the strategic. Lindsay, you see where I'm going with this. Particularly, with the focus on understanding, are behaviors for consumers changing for the long-term or for the short-term, right? **How much of this new normal is reactionary and how much of this is a permanent behavioral shift? Is that what you're seeing?**

Lindsay Zaltman: Yes. It's a good question and that is some of the issues we're wrestling with with clients. Our timeline, by the way, I'd echo the same kind of – especially as Pierre's outlining of where our downtimes and uptimes were this year or last year, et cetera, I think we're all that's an industry trend so it's good to hear that here as well. I think one of the areas that is almost you can – COVID aside, there are still certain kind of key brands and key types of research that you can actually still do in this time that aren't affected by perceptions. When you're looking at the deep kind of memory structures or psychological connections that consumers have with certain brands, those modern behaviors in market might change or where they're consuming those or using those might change right now. The deep associations they have with them don't. Some of those things are still going to change but I do think there are some changes in consumer behavior that obviously do have to factor in right now. I'm a believer that most of this will come and go. This is long term two years out or whenever there's a vaccine and we're past, past this. I'm a big believer that some of our human universal truths will come back, our need to connect with people, our need for control in the world, some of these deep drivers that over thousands of years, you do see things get back to a balanced state. I do think that's going to happen for the most part. There's absolutely going to be and there have been seismic shifts of how people are thinking about the world now as well. Certainly, in the next several months, you'd have the same – or 12 months, whatever it is, you're going to have that still be the prominent frame that's in people's minds. Yes. I think there's some near-term strategy that clients have to do and then there's also – let's not forget that eventually, there might be some kind of normalcy that we had in 2019 come back to us too so you don't want to course correct so much but in the short term you have to.

Lenny Murphy: Yes.



Brett Watkins: If I could add on it, because it's – this whole attitude shift is a really interesting discussion because in three months, the question is like the old argument of like how long does it take to develop new habits. I think there's a belief that there's going to be this huge mind shift, if you would, on consumers but case in point, I can give you both data as well as just anecdotal. Data standpoint, our surveys and panels in terms of their experience with in-person research has been very positive to people saying, "I want to do this again." Not only was it positive in just pre any kind of adjustment of, "Hey, we're trying to make this location safer," we did a lot around that but even before that, the data was still very strong in terms of the percentages of people that were saying, "I'm comfortable to come in and do research again." Then we obviously added in a phase two of research that was like, "Okay, these are all the steps that we've taken to make the facility safer for you" and then that skyrocketed to over 80% of people saying, "Yes. I'd feel very comfortable doing it." Now, I'm going to get to the anecdotal. My first travels were last week. I flew in to Denver, major city. Very much still you could see the sense of people in terms of the lack of movement in travel and the general withdrawal, if you would, of society. I mean things were just starting to open again but still most things are still closed. Obviously, the protest and riots had a big impact on that as well but then I move over here, where I am, in the suburban North Carolina which is 20 minutes outside the city but I consider that to be like rural enough to get away from it and I can tell you, you walk into an outdoor bar and there's not a person that's distanced or doesn't have a mask or anything else. I really do question from, at least in the United States, how much of this is going to be very much geographically-oriented? Where do you associate your thinking as far as COVID is all concerned? I think this is going to be something that barring a second wave of outbreak or so forth that we really have to start wondering, is it going to be as impactful or monumental of a shift in terms of people's mindsets than it really is?

Lenny Murphy: Yes. No. I would tend to agree that the – that's probably one of the most interesting longer term trends that we don't know the answer to yet is the regionality of behavior change from a consumer standpoint. Living in the South as well, I would say I've seen the same thing. Here in suburban Atlanta, it's normal. Everything is back to normal. Now, whether that's a good thing or bad thing, it remains to be seen, right, but consumer bounce-back into normal behavior is absolutely what



has occurred and hopefully, that doesn't bite us in the ass. We'll see how that plays out but yes, it's an interesting question. Now, Kristin, you've got...

Kristin Luck: Hey, I was going to say this is the longest I have ever been quiet I think on a group call.

Lenny Murphy: Well, let's get started.

Kristin Luck: I almost feel like I deserve a medal at this point. I wanted to just jump in and comment on the last thing you were saying about consumer behaviors because I think – I live in Oregon which is probably one of the more progressive states in the country. We've taken social distancing very seriously but we're also – where I live which is a relatively rural area, we're in a phase two reopening right now. Although consumer behaviors might not change in really meaningful ways, I do think that the impact to business is going to be significant. I use restaurants as an example. I've invested in restaurants a few times in my life. I have a few friends that own restaurant groups and I would be shocked when this pandemic subsides a little more than it has now, if half the restaurants in my town will still be here. It's a volume-based business with very little margins. Given the restrictions that we have, I just don't see how a restaurant could stay in business from a financial standpoint. I do think that this is going to fundamentally change business models in terms of how people buy and shop and entertain themselves. I was just talking last night with somebody about movies and when any of us are going to feel comfortable going into a movie theater. I worked in the entertainment industry in research for years and years and years and there was always so much resistance to doing day-and-date releases which, if you're not familiar with entertainment talk, that basically means a movie is coming out in the theater and being released on DVD or streaming on the same day. Now, for the first-time studios are having to do it because there are no movie theaters opening, where also at least here in Oregon, seeing a resurgence of drive-in movies which went away years ago. Drive-in movies are back and so, I do think fundamentally some of those behaviors are changing. Yes. What I did want to add to the conversation and I probably have a different perspective than some of the other folks on this call because I don't run a research agency. I'm working with firms all over the world either on their growth strategy or prepping them for M&A or a sale. I'm hopeful that one of the things



this pandemic will bring around is a greater emphasis on the things that drive business growth and profitability that we might not normally think of. When I work with clients a lot, the very first things they want to talk about are sales. How do I increase sales? How do I bring new clients in? Just not enough emphasis on serving existing clients and making sure existing clients are happy and growing. There's this mantra that for most companies, they have all the clients they ever need if they treated them well and grew them. I think for the first time, a lot of business owners are understanding the importance of existing client satisfaction and growth and also, focusing on profitability which has not been a huge emphasis particularly in an investment community where it's been about grow, grow, grow, grow, grow and not much focus on profit. Now, we're in the stage where it's very challenging to bring in new clients. Very challenging, particularly, if you're in a software or in a new business or emerging technology, it can be very, very difficult to bring in new clients. Focusing on existing clients' growth and profitability is something I've really been working with clients on. I'm hopeful that they stick with that once we get past this initial business challenge that we're in.

Lenny Murphy: Yes. All right, that's a good segue. We're going to change this up a little bit. Normally, at this point, we'd ask you greatest lessons but we're going to do that at the end. The flow of the conversation is leading towards what comes next so, let's go there. I appreciate all of you sharing what's happened so far. I think it's very encouraging overall but we're not out of the woods. We still have some miles to go. What do those miles look like as we go forward? Kristin, since you were so good and sat quiet so well, we'll start with you this time and we'll go back around. **What do you think the next six months looks like? What do you expect to see occur within the insights space that will impact us the most significantly?**

Kristin Luck: Yes. Definitely, to echo what some of the other folks are saying on this call, I'm definitely seeing a rebound in business. Most of the folks that I'm working with are seeing an increase in pipeline and projects being rebooked and things that were put on hold or canceled coming back again. I do think we're seeing a rebound. To the point that I was making earlier, we're getting to a point where people are moving past the immediate crisis. Clients really need to start formulating strategies for what comes next. To think that everything is just going to go back to normal and that consumers are going to be buying in the same ways they did



before or that their behaviors are not going to change I think is unrealistic. I do think it's a great time to be in the insights industry. I do see definitely a lot of folks that were really reliant on offline methods, taking a closer look at how they can future proof their business should we get another wave of COVID which we may or we may not. We're still, unfortunately, trying to figure out is this disease something that you can get vaccinated against and you never get it again or is it the flu and we're going to be dealing with this every fall and winter for an indefinite period of time? Being we're open to new ways of doing things is becoming – I hate the word “the new normal” but I do see that. Before COVID, there was a real resistance to like, “Oh, my gosh, this meeting has to be in-person or this research has to be conducted face-to-face” and now, all of a sudden when we can't do things face-to-face anymore, all of a sudden, it's not a deal breaker anymore which I find a little amusing. I do think that's one change. I also want to say on the sales and marketing front because I do so much consulting on sales and marketing strategy, and I've said this before online, I do think now is the time to go really deep on personalization and empathy. The people that are really winning from a sales and marketing front are, one, companies that are not going dark. I've seen a couple of firms that are like, “Hey, we're just cutting everything, any sales and marketing is going.” From my perspective, when you're in a crisis, the worst thing that you can do is to go dark and stop communicating with your clients. That doesn't make any sense to me but secondly, it's like don't try to sell and market through it like nothing's happening. That's where communicating with your existing clients and really giving them some additional love and focus and focusing more on work that you can do that's meaningful and strategic and can help move your client's business forward becomes really important.

Lenny Murphy: Words of wisdom from Kristin Luck and agree. Obviously, being on the marketing side of the business, we're happy to see that folks are still spending. How about disruption?

Kristin Luck: Yes.

Lenny Murphy: Part of our business is live events. Well, not right now.



Kristin Luck: Right. Yes. I think people are really trying to figure out the live events and it's really funny. I'm probably one of the only people that's really happy to be home learning how to cook for the first time in my entire life and spending time with my dogs. I'm not really horribly missing conference season to be honest with you but I really feel for the people that are running conferences and also, for people that use it as a primary sales channel. I've been saying this for years that conference spend should be 20% or less of your marketing budget. I've had people call me that conferences are 100% of their spend and all of a sudden, there are no conferences anymore. Kudos to conference organizers like yourself, Lenny, that are really trying to figure it out and are giving people an opportunity to connect online because I do think that that's the situation we're going to be in for some time to come.

Lenny Murphy: We'll sort of sum all of that up but I want to get to you, Brett, on this that I've felt from the beginning, this was going to create an opportunity for innovation, right? Anytime that there's a disruption to the existing way of doing things that it creates opportunities for us to rethink and move fast and bright things to figure out what the right next thing will be. We saw it in the Great Recession with a wave of innovation. We're seeing it accelerate and now and every day, the point that I have including this and GRIT, everything else we've done tells me that we're seeing an acceleration of trends that are already there and that's just going to create fantastic opportunities to do things new. Now, Brett, you've been in a worse spot than GreenBook from a conference standpoint, right? Your business, as you said, it took a huge hit and the entire category did but I also know that you've been focusing a lot on rethinking. What does that look like for you? **Not giving my special sauce from L&E but just think about qualitative and those things, what does the future look like for you?**

Brett Watkins: Yes. I mean it's a really good question. Matter of fact, there are some people on the screen, I'm curious to hear their answers, right? There are two sides. Certainly, there's some side of innovation to where you can look at how can you utilize assets and resources? I mean clearly, an office building is an office building. At least, if I want to take the glass-is-half-full perspective, at least I'm not in a larger sense in the commercial real estate industry, right? Commercial real estate is something that definitely, I would advise, oh, to not be in on their stock investment portfolios



right now. As it relates to people that you have, things that you're doing with them, what they're trained to do, taking advantage of these last three months, what have you done with your folks? Well, I mean we spent a lot of time and investment in continued education and training so, how can you make your people better and more effective than they were before so taking advantage of this time to second quarter. We're disciples of what the business operating system known as Traction so we're big disciples of that and Rocks is one of our biggest terms like what are you going to do this quarter? What are the big things you're going to move? For almost all of our operations team, it was if there was a task force seen, what reopening facilities look like? It was continuing education of your teams. There's part of that. Can you make some shifts? Certainly, we are looking at what we can move into. We're already making moves too and how do you make an even greater move in the digital? I would say that the one saving grace for us has been that revenue which we've continued to maintain has been the fact that we had already invested in digital online platforms and the focus on recruitment that a room with four walls and a mirror is merely one operating space to do research. There's a lot of others but the real key is getting the right people in the room and being good at that as well as why we've done all the research that we had to better understand consumer behavior and share that back to clients so we have access to them. We've made a real emphasis to that. That being said, I think there's also a reminder that we all have to pause, which is what I've mentioned before about consumer behavior and are there these dramatic shifts and new habits formed and so forth? Yes. We have to remember, there's a lot of reasons why people do in-person research that just can't be done online. It's just not possible. It's not just what you can taste, touch or smell. Case in point, if you have any intellectual property concerns, I can tell you the clients that we work with, they're not going to do stuff online. There's absolutely concern of what would that mean and could other people – could it get out into the public? Saving a few thousand dollars here and there is not worth it to them. It can contrast to the millions - billions of dollars that are on the line based on IP that they're trying to protect and ensure the competitors don't see. There are a lot of reasons for that and that while certainly, in-person is going to have an impact here, there are other dynamics that have to be factored in that – supply and demand issues as well. How many more suppliers will there be now that provide this kind of thing. Those numbers will continue to shrink and so, there's still the book of business left. While I'm in agreement with



you that you need to be thinking forward and making shifts to the future, there's also the consideration is you're not throwing out the baby with the bathwater and just completely discarding something that is not going away in time.

Lenny Murphy: Okay, absolutely. Lindsay, so, the future, what does it look like from the Olson perspective?

Lindsay Zaltman: I'll build off of what most of these folks are saying too. Well, one, to the one point, I'd agree with Brett. I think and hope there's going to be a move back into more in-person engagements. Before this whole thing, we were doing about 40% of our qualitative online. That was all driven by clients, travel budgets and costs just in the normal world. Now, we're obviously 100% online but there are tradeoffs that come with that and we've talked to clients about that. The reality is it's better to be doing that now than to wait for months or whatever until you can do it in-person so it's the right thing to be doing now. I look at the whole issue of when are we all going to start to come back together again. I think there's going to be some clear habits that come out of this as far as us now doing virtual or online presentations with clients, online research from qualitative sense will be happening more often now. The work-from-home movement and shift is going to be a huge one but it's really important to not have the pendulum swing too far in that direction because I do know we all as humans crave human connection and there's something you get from that that you don't get when we do things digitally and when we don't have - if we were having this conversation in-person sitting around the room, we'd be having this - you can't articulate it sometimes but there's a different feel that happens there too. I think that happens with companies, offices. I know our office, we try to maintain this sort of family feel as a small company and it's harder to do when you're remote. You can do workarounds and try to make it what it was but the best way to make it what it was is to get everyone back into the office and start having those collaborations and same with our clients, being able to do in-person workshops, et cetera. I think there's going to be a shift - necessary shift in the short-term to more of this remoteness but I hope that it doesn't become more of a habit and people start looking at just the budget or the line items as the reason to say, "You know, let's get rid of all office space everywhere" or "Let's get rid of all in-person research everywhere because look, it's cheaper." You're going to pay for that inevitably at some point because you're not



going to have these tight-knit teams. You're not going to have as good of client relationships, as good of an understanding of consumers. It's getting through these six months or whatever it is, we don't know. As humans, we're lousy predictors of the future. Insight professionals, we're slightly better than the average person but still, none of us know but that's where I like to see is just make sure we're not losing focus on some of these really important human connections that you have. I think that's where I see things happening.

Kristin Luck: Lenny, can I just jump in really quickly?

Lenny Murphy: Of course.

Kristin Luck: Hey, I think to that point, yes, human connection is important. I probably have a different perspective because I've worked remotely for over 15 years now and managed teams and client relationships all over the world. I'm used to working remotely as it is. I will say that I do have a growing number of clients that have not renewed their office leases because they've realized they can be as or more productive working remotely. A really good example of the fundamental change in behavior that's happened as a result of an economic downturn or a crisis is what happened with Eli Lilly during the recession that we had between 2007 and 2009 where Mark Kershnik who was running research at Eli Lilly at that time was really inspired to build their CLUE Center. So, rather than sending people all over the world traveling and doing face-to-face interviews, they still conducted focus groups but they were watching everything out of their offices in Indianapolis. They were saving millions and millions of dollars on travel and I do think that we're going to see a similar trend here again. I don't want to be a downer about qualitative research because it's a real powerful tool and something that's important to us as an industry. I'm also a big believer that working in offices, in groups is particularly important for people who are in the earlier stages of their career but I do think that we are going to see a major impact in commercial real estate. I think a lot of people are going to give up traditional office space and I do think that we're going to see a lot less business travel and a lot less face-to-face than what we were seeing before.



Lenny Murphy: I'll just build off that. I think you're right. We will see that. I guess I would say that ultimately, is not going to necessarily be the wisest decision and this might be three, four, five years out as we see how corporate cultures change from work-in-home environment but I do see that clearly is going to be a trend. We're not going to stop that but it will be interesting to see some of those softer impacts that it has down the road.

Brett Watkins: If I could add on to that I agree with what was said but we as a society and/or as a species tend to overreact to everything and so, we're seeing this in various facets of our life. Despite the fact that we're an in-person research, we've been working from home, the vast majority of all of our staff now for 11 years so we built all the systems out to enable that. I will tell you that I firmly of the belief that people that are seeing higher productivity and everything else for these last three months is purely a function of things that are unrelated to work from home. They are the fact that people are worried about their jobs. They are, of course very focused. They have nothing else to focus on so work is therefore a very high priority to them. I will tell you we had a lot of lessons to learn from the work-from-home environment and things that you had to do right and communication is a huge piece of that. Metrics for your people is a huge piece of that but I do not see a lot of businesses. My experience goes with a lot of businesses outside from other CEO friends that do not have the systems in place. I think there's still improvement of productivity. I don't disagree that we're seeing these shifts but I think we're going to see people that software lament that they made some of these drastic shifts because they just believe that, "Wow, what I'm seeing today is a one-data dot," means that this is what it projects like looking forward. There will be some pain and suffering that goes forward as a result of that if everybody makes dramatic shifts away.

Lenny Murphy: Pierre, I'm going to get to you in just one second. I want to follow up on a thought that I think Alejandro and before I even do that, I work from home for 20 years and like other folks, I've built multiple businesses entirely virtual. My overall take is what creates efficiency, that's what sticks, right? If it's pragmatic and it creates efficiency, that's what we are going to do. If it is not pragmatic and it creates inefficiencies, we won't do it so it's not a smart long-term business decision. Now, that said – because we are in this environment of a rapid shift towards digital-only



focus whether it's shopping or communications, interactions, that means the user experience is really important. Both Pierre and Alejandro, you've echoed that that you've seen a growth in the UX standpoint. I know I thought of this way before, to phrase it correctly. Are you seeing any hints from your clients that they're recognizing that although there may be an emphasis on the digital channel and the user experience of the digital channel today? It is just a channel, not the end-all, be-all. It's increasingly important as a channel but the emphasis needs to be on how does this channel fit in a hybrid model where there are multiple channels for participation and engagement over time that will be more face-to-face, et cetera, et cetera or you've just seen the snapback rolling folks, the digital because that's all that matters right now. Alejandro, do you have a take on that?

Alejandro Rivas-Micoud: Sure. Well, one of the things that I've always seen is that at least our clients don't choose online versus offline in the absence of COVID for budgetary reasons. That's not really the driver. It tends to be scale and especially speed, a little bit also in terms of geographical reach but speed and the possibly to iterate are what, at least in our case, we'd see as the drivers. To your point, to your question, I mean we developed last year's certain products that were meant to be like Omni-channel type experiences. We would send people near a store and they would record, first of all, their experience in a digital channel of this particular CPT good and then going to the physical store and record their experience also because they are using a mobile phone and compare it. It was an outlier I must say. This particular client is a big client and they do all kinds of stuff but most of our clients - and it may be just self-bias in the kinds of clients that come to us but they're looking at digital. One of the impacts we see of that over the maybe not six months, more like two or three years is that when you can scale so much, qualitative, not quantitative research, the issue then becomes - and especially when you can do it very quickly and iteratively, the issue becomes how can you transform that heap of qualitative data into insights in a rapid manner? One of the really interesting things will be how machine learning and AI can help in the process. The other thing that I think from our organizational standpoint is, right now, market research departments, consultancies, agencies, UX agencies, et cetera, do a lot of the work and deliver the product to the end-users of the organization. The incredible scale you can achieve with digital means that these departments, agencies, et cetera, need to transform such that they're empowering other users who are not market researchers, not



user experience consultants, et cetera who can just get quick insights. It may not be a fantastic product from a market researcher or a usability consultant standpoint but just being able to get quick insights on a daily or weekly basis. That really is transformative for the whole organization to turn it into a user-centric organization. Those are the kinds of trends but I don't see them as six-month trends. Six months, I have no idea what's going to happen. I wish I knew.

Lenny Murphy: Well, I think first, the aliens have to arrive and Godzilla has to come out of the ocean. I mean those are things that I'd certainly expect over the next few months. The theme for 2020 is, "Oh, yeah? Hold my beer." That seems to be the theme for 2020.

Kristin Luck: The murder hornets, that's what's next.

Lenny Murphy: That's right, the murder hornets. Where the hell did they go, right, because it was a big deal a few weeks ago.

Kristin Luck: They're here in the Pacific Northwest, Lenny. They're in Washington apparently. They're coming.

Lenny Murphy: They're coming at you Kristin. All right, Pierre, the next two months, we've talked about quite a few things and again, you guys have such scope. **What's your strategic plan over the next six months? Out of everything we've talked about, what does that look like from your perspective?**

Pierre Le Manh: Well, the strategies would not be defined for six months, right? Let's talk about...

Lenny Murphy: Fair enough. Fair enough. Yes.

Pierre Le Manh: Then we could talk about strategy. On the demand side, what I'm saying is that there's a shift. Clients, a few months ago or a few weeks ago, were really focused on today, right? Getting a pulse of what was going on, trying to figure out how people were thinking, what they were planning right now. There was another anxiety – I think consultants played a role in that trying to set up task forces to understand, gather immediate information and taking the pulse with it. Now,



clients have moved to what they think is the long-term and the long-term for clients right now is between now and the end of the fiscal year, right? How can they add the few hundred million dollars to their EBITDA? How can they try and save the year as much as they can? That's what people are focused on right now. Not really anything far out, not even next year. It's really between now and the end of the year, how do I improve my financial performance and that drives most of the demand, most of what clients are focused on right now. For instance, everybody says, "We need to reveal our data sets so that we can have analytical models that work for the future" and we all know that data from before the COVID is not a good base for predicting the future. However, right now, clients are not really focused yet on rebuilding these data sets. They are just making assumptions of what's going to happen between now and the end of the year and then later, we'll see when things have stabilized how we can reveal all of that so that's not yet the core focus. The core focus is between now and the end of the year. On the supply side, I think what we will see in our industry is probably a big slowdown in the M&A activity so, companies like Ipsos which historically, have made acquisitions a lot to complement our organic growth and build a global organization present in many markets, in many different areas of our industry. Of course, right now, we're not very active on the M&A front. Who would be right now? Everybody is waiting a little bit, seeing what's going to happen if there is going to be a second spike. We're all trying as much as possible to make sure that we go through this period and then we will see what the opportunities would be out there next year so less M&A I think. Yes, of course, we are going to see trends that were already preexisting accelerate. Digitization is one. If you think of people – and I, again, totally agree with Alejandro what clients are focused on right now is more granularity because the country is not the same right now. In New York City, outside of New York City, in the New York State, in other states, in different areas of the country, it changes almost by the week so people need more granularity. They need more real-time because indeed, things are shifting and changing pretty fast. If you want to be granular and real-time, there's no way you're going to do this unless you're very digital and that's - I agree the key driver of the move to digital but even things like workshopping. We thought that you could not do a proper workshop, a strategic workshop without being in the same room until we had no choice or the choice was no workshopping, no planning or virtual workshopping and then you realize that it's actually working pretty well



and you can have a better attendance to these workshops if you do them online because then the almost impossible task of having the CMO, the CFO, the head of the business division, the supplier side, everybody in the same room, on the same day becomes way easier once it becomes a half-a-day workshop that you can do on whatever tool. I'm not going to advertise for anyone. In the end, do I think that we are going to go back to workshopping in the same room sometimes? Yes. All the time? Absolutely not. These shifts have happened and it's a little bit about the platforms you have but a lot about the re-skilling of our own teams and how they can feel themselves comfortable working through that kind of processes and being successful at it. To be frank, many of our people have adjusted pretty quickly. I'm quite impressed with how the industry had been able to adjust just like management consultants have. Then the final consideration I want to make here, there was a little trend or maybe it was more of – I don't know if it's a fad but this idea that you did not need to speak to people anymore and that analyzing in terms behavioral data, passive data, very granular data was enough to predict and to understand people. Now, of course, as all these past data was worth almost nothing during the pandemic and even now, people are not very convinced about that, there's a huge appetite to understand how people are actually behaving right now, how they are feeling and try to predict based on that. There's going to be revival of – I mean it's never died actually but at least it's going to be more fashionable. We won't look outdated if we say that talking to people and listening to them matter. In complement maybe of behavioral data or passive data but having a proper interaction with people makes a big difference and that I think will stay as well.

Lenny Murphy: Yes, totally agree. This is the golden age of research or at least we have the possibility, we would be in the golden age of research now. The understanding has never been more important so, totally agree. I want to be conscious of time. I said that we were going to...

Kristin Luck: Lenny?

Lenny Murphy: Yes, Kristin, go ahead, jump in.



Kristin Luck: Yes. Can I chime really quick on just the M&A front since Pierre brought it up? To echo what he was saying, we certainly are seeing a slowdown in M&A activity from strategic because I think attentions are elsewhere. I will say that there is still an incredible amount of M&A activity on the private equity front. There's still an incredible amount of money floating around. Those deals are taking longer to get done mostly because a number of PE firms are spending more time managing their portfolio companies than they probably would otherwise, but there are certainly still a lot of M&A activity from PE firms and also from venture capital firms that are looking for a firm to invest in. There's been some reluctance for people to go to market or to go out and look for investment and I would say not to be shy about it and if people want some tricks for how to go out to market successfully in a time like this, I'd be happy to have a chat about that.

Lenny Murphy: On that note, I'll actually chime in on that for a second because I'm aware of two large PE deals that are in the works right now in our industry so, we're going to see some.

Kristin Luck: Yes.

Lenny Murphy: Crowdfunding is actually exploding. So, one of my other companies, Veriglif, we did a crowdfunding raise last year and we're actually about to launch another one and what we've seen is the crowdfunding platforms, they're booming right now. We're about to do that, to go another crowdfunding route because people are investing and particularly, out of that micro smaller level investments. That's an interesting phenomenon. I'll let you know how it goes. The first one went pretty well. This time we have bigger ambitions. We'll see but money is floating. To your point, Kristin, money is flowing. It just depends on what's going on. All right, so want to be conscious of time and I wanted to give all of you just a quick round robin. What's the biggest lesson that you have learned through this, either as a business leader or personally, just the kind of spiritual awakening [laughter] or great insight, epiphany that you've taken from this? I'm going to go how I see you on screen to wrap up so, Alejandro, big lesson that you've learned?

Alejandro Rivas-Micoud: I would prefer you ask me that in 12 months' time but I'll get it now. It was always a suspicion but I think it's being confirmed to me that the ideal mix is some



working from home and some face-to-face connections amongst employees to maintain a strong corporate culture. We've been blessed with a fantastic team and has worked really well but we're starting to organize some get-togethers just for the purpose of strengthening that corporate culture because I could see that 12 months out, if we continued on this path of only working from home, things would get more fragile. From a corporate culture perspective, I always was a believer anyway in this but I think it's being confirmed that you cannot go 100% working from home. You'll be doing less of it but you'll always need some interaction. That's all.

Lenny Murphy: Okay. So, culture matters, focus on the culture. Okay. Pierre, what's your takeaway?

Pierre Le Manh: Yes. This has been an experience, an experiment, a social experiment of incredible magnitude. We've all been stretched personally. As leaders, we've been stretched as well and I think if anything is to be remembered from this period is that leadership is so important to people. They expect strong leadership in such a period. They expect fairness in the decisions you make, clarity in the way you communicate your decisions, consistency in what you do and the choice of words matters more than ever. We've seen many leaders also in action during this crisis, right? I think we can all relate to the fact that the way leaders behave, the way they communicate, the choice of words make a massive difference. I think that would stay. The big lesson here is that when these things happen, you really, really, really have to up your game as a leader.

Lenny Murphy: Okay. Brett, big takeaway?

Brett Watkins: I like a lot of what Pierre just said and probably, the thing I would just add on to it is - one of favorite movies of all time was a sports movie by Ron Shelton which is Tin Cup and he's like he starts off in the first hole and says, "Be humble" and he shoots an 82, he says, "You humble now, Holmes." I think this COVID crisis has definitely taught some good lessons of humility but that gets back to leadership and as well as looking at yourself and what could you have done differently, what could you have planned and/or it knocks you out on your heels a little bit but puts you back on your toes and says, "Okay, really looking at your entire business and



what's your fundamentals and doing your SWOT analysis and what that looks like." I guess also, the great lesson in just seeing the people around you as well. Leadership is important and it matters but it's also a good reflection backwards too of the people that are with you when they're working and how are they performing and are they supportive and are they being a good team and culture? I've been very lucky to have that here. I think it's just merely a reflection of having a lot of good people that were hired to begin with that now have gone and taken a positive step as opposed to definitely the many negative places that the mine could've taken them. If I would also add a second one, it would be leadership is also in part, personal focus on self and you're balancing your own mental minds. I sit here and wear a gym t-shirt that my personal trainer gave to me which is I work out with her three days a week. That's been enormously helpful. Virtually, we do that online. It's been enormously helpful to just keeping me sane but also, spend some of that time really working on more - quite frankly, I'm not much of a meditation but I've had to learn to become more of one just based on just trying to quiet the mind and focus on things that you can impact so not getting lost on all of the negatives like, "All right, what are we going to need to do in order to get past this?" Like I said, life keeps getting interesting understated and that certainly has been an interesting last three months for sure.

Lenny Murphy: Master of understatement. So, Lindsay then Kristin. Lindsay, big, big lesson?

Lindsay Zaltman: Yes. I think it's just the human resiliency here that we have but hopefully, I've had as a leader in our company but also, that I've seen a stack of ours have at all levels at our company and that to me has been inspiring as well where you see that it's not just the leader's job to rise to the occasion, it's everyone else's job and they pick me up too and vice versa. It's a neat thing to see and these are like big - you wish these events didn't happen obviously. I think about 9/11 also as probably the last impact event like this in my career. They stick with you for the rest of your career and you learn from them and this is where I see that opportunity for our employees, myself to learn from this and we'll be, 15 years from now, drawing lessons from what we learned during this pandemic and what you learn from it is what you want to - how you want to make lemonade out of lemons is how to look at it.



Lenny Murphy: Thank you. Kristin?

Kristin Luck: Yes. The big lesson just for me personally but I also think for a lot of my clients has just been a greater focus on soft skills. To Pierre's point, transparency breeds trust and that the good leaders that I'm seeing now also have a tremendous amount of empathy for what their employees are going through. I joke that this is a tremendous time to be childless because I have the ability to work uninterrupted and I really feel for both clients and folks that I know that have three or four children at home and are trying to work and home school and oh, my gosh, I just got so much respect for what they're trying to do. I think the more empathy we can show as business leaders and have an understanding of there are a lot of people who are not accustomed to working in the way that they are now and how do we make that easier and also ease in security and improve on the way that we treat people whether they're in the business I think is super, super important.

Lenny Murphy: Well, as a father of six, I really appreciate that, Kris.

Kristin Luck: Yes. I'm really trying not to complain about anything right now because I look at my friends that have kids and I'm like, "Oh, I've got it super easy."

Lenny Murphy: Yes. Oh and we just got a puppy so we've decided we got extra punishment, right? So, we – yes, anyway...

Kristin Luck: Yes. You really went for it, Lenny.

Lenny Murphy: We did. It's like bring it on. Bring it on. All right, everybody, this has been great. Thank you. It went longer than I expected but I think it was worth every single second so appreciate all of your feedback. I'm sure that we'll have you back. This is going to be an ongoing series. It seems to be useful for folks so appreciate it. Everybody, stay well, stay safe, stay sane and thank you for all of your feedback.