

Actionable Insights for Brands, Agencies and Government Departments



Eran Eyal
CEO & Founder
Springleap

CEOCFO: Mr. Eyal, what is the concept and vision at Springleap?

Mr. Eyal: At Springleap, we have a marketplace of 180,000 advertising agency experts from around the world that enable brands to get sophisticated actionable feedback 10x faster than traditional research providers.

Brands, agencies and governments departments can look into any country and any industry, and get instant hyper-localized feedback on campaigns, competitors and consumer trends.

We go beyond the data alone, providing not only the what but the why.

CEOCFO: How do your experts figure out what is going on and make the evaluations?

Mr. Eyal: That is a great question. There is not a great deal of expert marketplaces, but the difference between our experts and other offerings (such as consumer and expert panels) is that they are all advertising agency executives, generally with 5 to 15 years of experience.

They can give you highly localized “meta-consumer” feedback, because first of all, they are consumers themselves. However, they provide a very different level of feedback as they already have the latest data on the consumers, are auctioning them into hundreds of campaigns in their territories and know what happens when those campaigns perform in the marketplace. They can tell you about competitive brand positioning, with very sophisticated insight on trends in industries and countries that you would not normally be able to get out of traditional consumer groups or in existing markets.

To note: we provide this sort of sophisticated feedback 10 times faster than any traditional provider that offers less sophisticated insights. That’s very meaningful in terms of the relevance of the data and opportunity cost to the business.

CEOCFO: Are people and companies that should know Springleap aware?

Mr. Eyal: We are an early stage company, but people are becoming aware of us quickly. We have some fantastic clients that include Sony, Saatchi, Wal-Mart, Nestle, DraftFCB, Grey and Ogilvy, as well as we are starting to work with some existing extremely established research providers like TNS.

It’s always best when companies get to know us by our works. The first way that they generally get to know about us is that we have a great trends platform. Our trends platform is actually in beta right now, launching towards the end of this month and being tested with 40 of the top advertising agencies.

Every month we produced reports on certain regions in the world. They are 90 to 140 pages, sourced from 50 of the top advertising agency executives in that territory, covering all of the meaningful brands, agency and trends activity in that market. This report enables you to strengthen your marketing by understanding what is going on in these different territories - and is packed with suggestions from these experts on how to make these insights work for your brand.

One of these territories for example is Africa, where there are many companies across the world that are trying to crack the North, East and South African market, but they do not understand the culture or what is happening on the ground.

Very often, what they try to do is to do focus groups, but find that the focus groups are unreliable and difficult to organize. Focus groups very often struggle the question that is being put forth to them and there are no actionable that are derived from the consumers. However, when they access with our syndicated Trends Reports the first thing that they find that they are very low in cost to access every month for their team and provide regular and powerful insights.

People can migrate from our basic subscription reports, which are as little as \$21 per person, per month, to doing custom analysis. For example, Adidas, who wanted to know how to enter Ghana and Nigeria, but they found that the consumer data that they were getting was unreliable. However, with our custom Trends Reports, within three days they were able to get deep insights from agency people working on similar brands. Adidas was able to find out what was successful, what was not successful and what the market perceptions are, and what they should do about it.

Our other exciting product is called Sense Check - a very advanced form of copy testing. This is a powerful tool to test all of your adverts, creative and marketing. Current offerings test with consumers - why would you want to ask consumers about copy? They are not going to show you how to fix it or show you what is wrong with it. They can just show you how they feel about it – it's sentiment/ opinion based, takes too long to get the response and people change their opinion all the time – sometimes a few times in a day depending on their mood and bias they encounter.

In contrast, the experts in the Spring Leap platform can give you sophisticated insight on how to fix something, what you should be doing, how you should be affecting the market, competitive brands, how that affects your positioning and cultural issues that you need to be aware of.

It is really about refining this entire process. Our job right now is to help companies realize the benefits of working with us, which are access to global sophisticated insights and actionable insights. Those are all very good benefits for companies that want to perform market research.

“We’re 10 times faster and provide actionable insights. This is a huge market that has not seen much disruption and sorely requires fast turnaround times to global insights that go beyond the consumer data alone. Many of the brands and agencies have already signed on, are working with us and are scaling upwards.” - Eran Eyal

We’ve also developed our own rating system for copy, marketing and creative – Our management team comes from top leadership positions at TNS, Kantar, GLG and Millward Brown in New York and Africa – giving us a deep understanding of the metrics that matter, how to measure them and present them in a systematic and meaningful manner.

CEO CFO: *When talking with people early on, what would be the pushback?*

Mr. Eyal: The first pushback is that it is a new way of looking at things. Innovation can be quite scary. Therefore, finding brands to want to innovate when you have established market research such as Millward Brown, TNS, Kantar, Nielsen or Trends Watching is very difficult.

There are 6,000 consumer panel companies in the USA alone, so it is difficult to move away from their traditional way of doing things. What we found most effective is to come in and ask questions. We ask them how they do market research and if it is important to them, or if there is anything that they find painful about it. We lead the conversation by listening. What we have found is that the best way to get people involved is to start with a small campaign that helps to get the ball rolling, or sign them up for our Trends Reports, which are \$21 a month per seat or even less for larger subscriptions. That would get them to see the value of what we do on a day-to-day basis. Beyond that, getting them to move from the things that they do traditionally is quite challenging for big brands. The best way to do that is to introduce with a low touch, such as with a subscription product, before you start asking them to spend thousands to tens of thousands of dollars on market research.

However, once our clients have ordered one product from us and they get their first reports from us or their first output, they end up ordering two to four more almost immediately, and they are recommending us to other people inside of their company. It is really about getting the opportunity to prove ourselves, and when we do it once, we are always finding repetitive usage.

The other barriers of entry are that in a big brand or big agency, there are several stakeholders and you have to get them all at the table at the same time. These are all of the big barriers that you need to overcome and the reasons why the sales cycle in enterprise can be a little longer than the sales cycle in smaller B2B.

What is clear is that all the companies we are working with, especially the traditional market research providers who want to integrate our offerings into theirs, is that they want to go beyond the data alone and provide the “WHY to the WHAT” – insights from experts to go further than big data and into deep wisdom.

CEOCFO: *What has changed in your offering along the way?*

Mr. Eyal: We are very bullish on getting insights. Whenever we launch platforms, such as our Trends Report platform that we are launching right now, we have over 100 paying subscribers for testing our platforms with the biggest agencies and brands.

Getting that feedback is important for us in order to validate and craft our product market fit.

Some things that have driven changes recently concerning our Trends Reports subscription, moving it from a premium-priced product to a very low cost entry point product. By gathering hundreds of points of feedback we have moved from getting a few customers paying a lot for a product to getting more seats which is more meaningful to us, because we want to get the product to become an industry standard. We are constantly gathering client-based feedback over the last six months from all of our early adopters and subscriber on what they would like to see, which drives the change at the heart of our products. Every aspect of our product has been driven by data gathered from our clients and not by us, so we know what to develop first, because repetitively paying clients are driving demand, so we really have a good understanding of what is meaningful to scale.

To say that there is one thing that we have changed would be quite difficult, although when we started SpringLeap, we actually started focusing on creative crowdsourcing; we did not start in market research. Our differentiator was that it was invitation only, based on your historical ability to perform in certain creative briefs. We would invite a few people in, but we would have no spec work, so nobody worked for free – everyone was paid to pitch. However, we found that market was heavily saturated and very difficult to enter, because brands and agencies are on retainer with very long relationships. Big brands are very scared when it comes to changing their creative and prefer to stick with long-standing relationships.

In response, we pivoted towards market research around September of 2014. Since then we have grown the community to be more diverse so that it not only contains creatives, but included brand strategists, social media experts, creative directors, copywriters and more; everything that you would find in a traditional agency.

In addition, we have been spending time refining the marketplace profile data and understanding who those people are. Then working with our client and creating our two products; our reports and Sense Check products. Market research is a \$400 billion per year opportunity across the globe. Kantar makes around \$28Bn a year. Nielsen is a global powerhouse and they all need us. Copy testing in America alone is \$4 billion a year, and copy testing as it is done right now is not fantastic. It is very often copy testing is done by consumer opinion and that is not good enough. We're not saying consumer opinion is meaningless at all – but the world needs fast and actionable insights that can only come from the right expert opinion.

CEOCFO: *Does world events fit into your analysis?*

Mr. Eyal: World events very heavily fit into our analysis, but in a very localized way. For example, what is happening in Greece will cause a Trends Report to be quite different from a Trends Report from South Africa.

However, we are more interested in brands and agency activity, because this will give you a very good overview of where the economy is. You can get all of the reports you want from Forrester or a number of different sources on the economy in general, but the interesting thing about tapping into the minds of advertising agency executives is that they have one job, and that job is not to do creative work or brand strategy: It is to sell brands everyday in the market; to sell a product for that brand. Because of that, the responses that we get from brands and agency activity, is a powerful insight to where the market is currently at and moving towards.

That would be right through from the middle market, to eCommerce, to the high-end, because the agencies have to react to the economy and to the market, which gives you clear indications as to where the market is.

Even to government departments and agencies, this sort of insight is a powerful tool for campaigning and census.

CEOCFO: *Will you be seeking partnerships or funding as you go forward?*

Mr. Eyal: Absolutely! We are enormously grateful to have received funding to this stage from some incredible angel investors and a couple of angel groups. Now we are raising a seed round of capital; which is \$1.3 million in our seed round, to follow on the success that we have had from recurring revenue and growing client revenue.

This round of funding will help us scale our existing platform, launch an exciting SaaS Sense Check product and drive sales. It will also give us time to solidify our partnerships with key players to help us sell our products and to add value to them. We intend to launch a SaaS platform which will allow people to do market research and copy testing with our experts from as little as \$500. That will be a big game changer.

However, the future is that we actually want to give access to all of those existing panel companies, through an API, into our marketplace. That is something that we are very excited about, but to do that we need to build out our technology and partnership partnerships. That is why we are raising another round of funding.

CEOCFO: *Why is Springleap a noteworthy company?*

Mr. Eyal: We're 10 times faster and provide actionable insights. This is a huge market that has not seen much disruption and sorely requires fast turnaround times to global insights that go beyond the consumer data alone. Many of the brands and agencies have already signed on, are working with us and are scaling upwards.

In addition, we are going to be opening up market research in a way that has never been open to small to medium sized businesses, and allow bigger businesses to do more, faster and better than ever before. Ultimately, that means that the market size can increase, so it is not just about taking a piece of a very big market. It is also about opening up an entirely new market.

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

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