

When Social Science and Humanities research generates profit



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For many of us, it is not news that the humanities and social sciences have much to contribute in order for businesses to increase earnings. However, we still lack knowledge about how exactly social science and humanities knowledge can operate as a lever for innovation and growth within the companies.

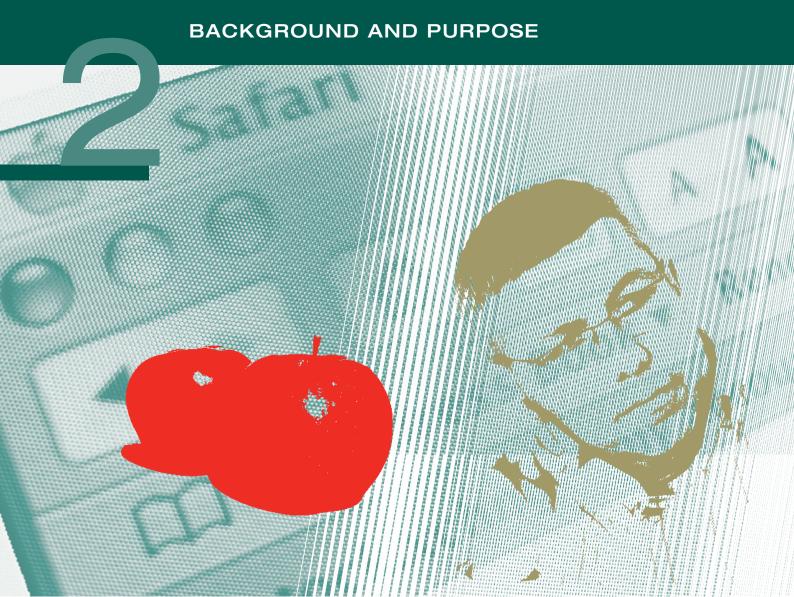
We have therefore undertaken a survey of 100 companies concerning their challenges and needs to which social science and humanities research can help to provide solutions.

The responses we have received from this effort are summarized in this report, which we hope will place even more focus on the application and value of humanities and social science research in the private sector, and especially on the researchers' desire to work more with these topics.

For even though there is already a growth in cooperation between the private sector and the research community, these cooperative relations can certainly improve. Here are some suggestions for the focus of this cooperation.

Enjoy your reading!

Lars Nørby Johansen Chairman, DEA



DEA works to promote business-related research and to create increased interaction between the private sector and institutions of social science and humanities research.

In order to guide research so that it also becomes more problem-solving oriented and relevant for the business sector, DEA sought to elucidate how Danish companies view their core challenges and unfulfilled research needs within the social sciences and humanities.

The long-term goal of this survey is to help the companies so that in the future they can resolve their knowledge needs through research on areas of strategic importance for the companies' development.

By means of proposals aimed at specific research areas, the goal of this survey is to help create increased cooperation between companies and social sciences and humanities research institutions.

The survey is also intended to help open the way for research within the humanities and social sciences to become more business-oriented and for the companies to obtain greater knowledge of what research in the humanities and social science can contribute to in the companies.



### 3.1 Overview

The analysis has resulted in the development of seven research themes which humanities-social science research should consider taking up in the future. These research themes have been highlighted by a broad range of private sector companies. They are illustrated in the figure below.



For each of the research themes, we outline several recommendations for more specific research areas. The analysis of the research areas desired by the private sector can thus be read in connection with the more generalized research themes, or more specifically in the research areas.

The recommendations for research themes and research areas are based on a five-step analytical process (see Appendix) that includes statements from interviews conducted with companies, a survey of gazelle- and interview companies and a workshop bringing together representatives from DEA, the universities and the business sector.

RESEARCH THEME	RESEARCH AREA
1. Quality and innovation	<ul> <li>Formalizing creative processes</li> <li>Inter-disciplinary approach to creative processes</li> <li>Methods for user-driven innovation</li> <li>Intellectual Property Rights</li> </ul>
Internet – behaviour and communication	<ul> <li>Business models</li> <li>Relations between users</li> <li>Formation of opinions and concepts</li> <li>Web 2.0 and branding</li> </ul>
3. The aging society	Inter-disciplinary and forward-looking     Health and costs
4. Cultural and business understanding	<ul><li>The Third World as a market</li><li>Cultural differences</li></ul>
5. Risk and uncertainty	<ul> <li>Consumer understanding of risk</li> <li>Uncertainty and risk in companies</li> <li>Thinking about the future</li> </ul>
6. Value, relevance and impact	Measuring the value of research
7. Dynamics of change	<ul><li>Readiness for change</li><li>Consumer trends and branding</li></ul>

# The most requested research themes

In order to identify those research themes of most concern to the private sector and viewed as being the most relevant, a cross-cutting analysis was carried out using the interviews, the results of the survey of gazelle companies' (ass defined in the literature on business growth, a 'gazelle' is a company which over the past four financial years has had positive growth in turnover or gross earnings and has doubled its turnover/ gross earnings during this period) and of the workshop. The analysis resulted in the three general research themes as listed below.

These are the themes which the companies in seven branches, the gazelle companies and workshop participants found especially relevant and important (see further section 6.2, Survey and Main Findings).

- 1. Creativity and innovation
- 2. The aging society
- 3. Internet- behaviour and communication.

### 3.3 Summary of the seven research themes

### 3.3.1 Creativity and innovation

Companies have an acknowledged need for knowledge about creativity and innovation. However, they lack both a fundamental and deep-going research-based knowledge of how they need to work as a firm with creative and innovative processes in a manner that ensures value-creating knowledge and economic output.

The research theme 'Creativity and Innovation' consists of four research areas:

#### 1. Formalizing creative processes

Many companies experience a need to be able to assess the trade-off between fixed structures and freedom for creativity in product and service development. They express a need for knowledge about how these processes can be controlled and optimized, so that their objectives are achieved and the client obtains a valuable product. This requires research knowledge about how creative people work and the kinds of work processes that take place, as well as the tools that can be applied in order to control these processes. Companies with many creative workers are very dependent on their labour. An employee who leaves for a job can be very difficult to replace. If the firm's creative work processes are well-described and formalized, it is much easier for new workers and management to be involved and to steer these processes.

### 2. Inter-disciplinary aspects of creative processes

It is well-known that creativity emerges in the encounter between different disciplines and modes of thinking. This is the kind of situation that is sought after in those companies that work with creativity and innovation. There is a need for new research knowledge and new graduates from the creative educational institutions in order to work effectively across professional disciplines. There is a need to involve the research findings of other disciplines in a new and innovative way and to apply these findings in the creative work within the firm. Hence, there is a need for research knowledge which, for example, links together mercantile business understanding with creative design-related product development. Here the companies can help to challenge the research institutions with new perspectives on the traditional disciplinary divisions. On the other hand, the companies also want to be challenged in an inter-disciplinary way in those knowledge areas where they are not familiar. Hence, there is a need for research which both seeks out knowledge about how creative processes are optimized by incorporating an inter-disciplinary perspective, and a broader research that seeks out knowledge about which inter-disciplinary fields could create increased value for the companies.

### 3. Methods for user-driven innovation

The companies are experiencing an increasing focus on user-driven innovation. For some, this is experienced as old wine in new bottles. For others, it is viewed as a breakthrough. They would like to integrate user-driven innovation into their product development and marketing in a more systematic way. In addition, these companies felt a strong need to be able to operationalize user-driven innovation methods for their own needs. Most companies do not have the resources to hire, for example, five anthropologists to conduct costly observation studies of far-way markets in China. Therefore, there is a need for knowledge about how user-driven innovation can be initiated, what kinds of methods should be applied and what it is that works and does not work, all dependent upon which type of firm it is and the kind of market in which they are operating. The research institutions can help here by working more intensely to operationalize the user-driven innovation methods. This will benefit the greater part of Denmark's business community – the small and medium-sized companies– and enable them to make use of user-driven innovation methods more operationally and on a smaller scale.

#### 4. Intellectual property rights

Knowledge production is constantly increasing, and the number of registered patents and intellectually registered rights is growing year after year. Registered knowledge represents a piece of hard and successful innovation work, which other companies can

effectively utilize. However, it is not so easy to obtain an overview or to access this knowledge. This situation has created an increased need for how to integrate existing knowledge into business development and a need to identify how existing knowledge can systematically enter into the creative and innovative processes in product and service development. The companies do not need to re-invent the wheel each time, but they do need to better utilize the existing mass of registered knowledge. The challenge is to do this systematically in business development and in innovation processes.

### 3.2.2

#### Internet - behaviour and communication

The companies have a need for knowledge about and methods for how the Internet's new potential can be utilized. Even though many companies use the Internet, many of them feel that they are not able to use the Internet more actively in their business development, and as something besides a simple business card directed outward. In a business context, therefore, it is interesting to examine developments in behaviour on the Internet and the user-driven content.

The research theme 'Internet: Behaviour and Communication', consists of four research areas:

#### 1. Business models

Developments in the Internet 'Generation 2.0' entails new ways of communicating, contacting and moving around on the Internet. In many cases, it is the user-generated content that is driving development. At the same time, the Internet platform is being developed for companies so that they can act as something different than a simple business card to the outside world. Today, the Internet is to a far greater degree the business platform, making it essential for obtaining knowledge about the connection between optimizing the Internet platform and business success. The companies lack knowledge about how to integrate the new Internet-based developmental tendencies in business development and incorporate these into many more sectors of the firm's production.

#### 2. Relations between users

Social networks and the user-generated content are gaining ground in the Internet. For companies, it is a challenge to both decipher what is happening and how to 'intervene' as well as how to actively incorporate the methods into the business and its communication with the users. Developments are taking place at a rapid pace, and many researchers are interested in this field. However, if Danish businesses are to be one step ahead of others in the use of new forms of communication on the Internet, systematic research must be carried out in how people make their way around and communicate via new channels on the Internet. This knowledge can contribute to a more interactive and business-like integration of new forms socialisation and communication on the Internet.

### 3. Formation of opinions and concepts

Development of user-driven content on the Internet has exploded in recent years. Wikipedia, MySpace and YouTube are some of the platforms where users determine and provide content. For the layman, it may not mean so much that the content is not entirely correct or precise, but for businesses who utilize the Internet on a professional basis, it is an ever-increasing challenge to separate reliable from unreliable content, both as recipient and as sender. In transmitting information, it can be decisive for a business' bottom line, whether a potential customer can distinguish a serious homepage from a less serious one. The source criticism and documentation are, so to say, absent, which leaves it to the individual to assess the validity and credibility of the content. Hence, there is a need for knowledge about how users produce and consume knowledge, concepts and opinions through the user-generated platforms, as well as a need for knowledge about which strategies the companies can use in order to maintain and create credibility in a dynamic virtual world.

### 4. Web 2.0 and branding

Companies have long worked to communicate their identity through the Internet medium. Up to now, this has taken place in a static way, where the Internet homepage followed a fixed structure and was continually updated, like a bulletin board. Generation 2.0 of the Internet creates the possibility for an entirely different, more dynamic way of branding the firm and its products. Many companies, for example, have enthusiastically moved into the virtual world of Second Life, with curiosity as the driving force. But for good reason, few have experience with it. Thus, there is a need for the research institutions to continually monitor developments and to systematically generate knowledge about how Web 2.0 is evolving. Such research can give the companies new possibilities to communicate, market products and services and to develop the firm's own brand.

### 3.3.3 The aging society

Companies have an acknowledged need for knowledge about how general social developmental tendencies can come to affect them in the future. The aging society is important for many companies, because we are already beginning to experience the lack of workforce and can observe increased welfare policy challenges, especially in the health sector.

The research theme 'The Aging Society' consists of two research areas:

### 1. Inter-disciplinary and forward-looking

Aging has profound consequences for all segments of our society. Companies have acknowledged this, and many have begun to feel the consequences internally, for example, in recruiting personnel and working with their human resources, and externally in terms of consumption of their products and time. Aging of the society thus affects not only one individual branch or an individual link in the organisation. It can have consequences all across it. Aging trends can have consequences for generic social structures such as individuality versus community, family structures, consumption patterns, etc. Developments in aging thus pose cross-cutting challenges to the companies. Hence, there is a need for a consolidated knowledge development which views the aging challenges as a unified research theme. An inter-disciplinary focus is needed which collects knowledge about how aging impacts different areas, whether it be within HR and management, in product development or in marketing.

### 2. Health and expenditures

The aging society is based on the premise that our health will continue to improve. It requires an increased focus on prevention and life quality. Health will continue or even become more important on the agenda of society and of the companies.

There is a need for a research area in health and health expenditures, especially related to the aging society and to developments in health-technology, where an ever increasing number of illnesses are being treated with an increasing number of treatment types. This research area must both examine the socio-economic calculations of new health technologies and especially look at how we measure or set value on life quality for those patients who receive or do not receive the new forms of treatment that they are offered.

It is a research area which to a great degree will receive political attention, such that research must accord special consideration to ethics, validity and ensuring a high degree of research professionalism. In return, the research area will be able to achieve a key position in relation to companies, public authorities, patients' associations and politicians, because it will greatly help to define the political and economic frameworks and the ethical set of rules for the health-technological developments and the available treatment.

### 3.3.4 Culture and business understanding

The companies are seeking out knowledge about cultural and business understanding, especially in new and 'unknown' markets. Lack of cultural understanding and knowledge of new markets often poses a barrier for the companies. It means that the companies lose valuable developmental opportunities and are reticent about cultivating new markets.

The research theme 'Culture and Business Understanding' consists of two research areas:

#### 1. The Third World as market

With the growing globalization and the companies' search for new business opportunities, the need increases to find new markets. In this search, many companies have become aware of the opportunities offered by Third World countries. However, the possibilities are often counter-balanced by the challenges, which can include corruption, low economic possibilities for manoeuvring, or entirely different ways of doing business. Business in Third World countries, therefore, is not so straightforward for many companies, as there are considerable risks of committing errors. Nevertheless, the Third World countries represent an enormous business potential, with nearly four billion poor people living in these countries. Focusing on these countries and their populations as consumers instead of simply passive recipients of development aid opens up a whole new world of opportunities for product and service innovation and for new technologies. The challenge lies in doing it in the right way, so that consideration is given to the development of the Third World's own markets and societies. It goes without saying that the ethical and cultural aspects are considerable. Therefore, companies need holistic understanding of the opportunities and challenges for establishing themselves on the Third World market. The research theme is generic and cuts across other disciplinary areas and branches, and could therefore be suitably established as an independent research center, drawing upon several different disciplines.

#### 2. Cultural differences

Danish companies - large as well as small - see a challenge in tackling cultural difference, both internally within the organisation and externally in relation to cooperating partners and markets. The time is long passed when we could make do with just a conversation guide and Gert Hofstede's country typologies. The companies need a more concrete and operationalizable research-based cultural understanding which enables them to manage across culturally diverse teams, implement strategies across countries and seek out and meet the needs of customers and users in culturally distant markets. The focus on user-driven innovation actualizes the need for increased cultural understanding to an even greater degree than previously. If one examines product development in culturally different markets, it is now not enough to be able to market one's product in the language of the target country. In order for the marketing campaign to be successful, the cultural understanding must be integrated into the entire innovation process and product development. This poses a challenge to the resources of the companies in being able to carry out deep-going cultural studies- and observations (ethno-raids) in the distant markets. Here the research institutions can contribute with more operationalizable knowledge directed to the private sector generally or to specific branches and business areas.

### 3.3.5 Risk and uncertainty

The companies are seeking out research which can help them to act in a world with greater uncertainty and risk on the companies' markets and toward the consumers and their way of acting.

The research theme 'Risk and Uncertainty' consists of three research areas:

### 1. Consumer understanding of risk

Consumers' perceived and actual risks often differ markedly. There are many examples

of companies which have found themselves caught in situations where the consumer's perceived risk was much greater than the actual risk. The situation can also be reversed, where the actual risk can be greater than the consumers' perceived risk. For many larger companies, risk management in relation to clients and customers is something they work with internally, and risk management is now service to be purchased from communications consultants. Developments in the omnipresent media and concepts such as 'infodemics' (news and stories which spread like the plague) make the need for risk management linked to communication strategies more and more urgent. Here the goal of research in the humanities and social sciences can be to create a better understanding of the consumers' view of risk and the factors and dynamics that affect them.

### 2. Companies' uncertainty and risk

Uncertainty and risk are increased by the increase in geographic and temporal distance. Many companies must manoeuvre through the international threat/security scenarios which exist today, having to deal with their market, products, knowledge and workforce. At the same time, globalization and the Internet are examples of factors which have markedly increased the companies' insecurity and risks in recent years. The companies are therefore forced to be ale to deal with a far greater number of factors, and it becomes more important for them to be able to act more proactively and less reactively. The companies see humanities and social science research as being able to provide better insight into and understanding of all the uncertainty factors which affect the companies, over both short term and also over the long term. It is especially over the long term that the companies have problems, but it is also often here that we find the greatest uncertainties and risks.

#### 3. Thinking about the future

Most companies work with time frames extending only a quarter or a budget year, and a few have strategic plans having a five-year span. Globalization, technological developments, increasing competition and developments in the labour market, however, all mean that more companies need to be able to 'see' longer into the future. The companies feel a need to be able to relate to the developmental tendencies they might confront in the future in order to avoid being outcompeted and in order to exploit the new opportunities that can arise. Several companies feel a need to get the clients to think in a more long-term perspective. A deeper insight of the general future tendencies can operate as a tool to get closer to the customers and to enter into a dialogue about developmental patterns and future needs. The goal of humanities and social science research is to help the companies gain knowledge about the developmental tendencies which can affect them and their markets in the future and to an equal degree to enable them to gain insight into how the internal and external aspects of their organisation must act in terms of their future needs.

### 3.3.6 Value, relevance and impact

The companies are seeking out purely general research which can document on a valid foundation the value, relevance and impact of humanities-social science research. This concerns especially the 'soft values' and the professional expertise which 'surrounds' the product, what some companies call the 'intangibles'. Several companies thus emphasise that it is the intangibles which give the product greater value in the client's eyes.

The research theme 'Value, Relevance and Impact' consists of a single research area:

#### 1. Measuring the value of research

Communication strategies, marketing and design are indispensable activities for every firm. Nevertheless, researchers within the fields as well as the companies find it difficult to argue in fact-based ways as to why it is appropriate to allocate time and money for activities such as the above. The research institutions could help increase the value of

research if they are more capable of measuring its impact. It would benefit the marketing potential of research and the companies which survive by selling services within the humanities and social sciences (e.g., design and marketing bureaus). At the same time, it would entail a better understanding by the companies and branches which traditionally do not have great experience with carrying out these types of activities.

### <u>3.3.7</u>

### Dynamics of change

The companies are seeking out humanities-social science research which can challenge their readiness for change and help them expand and change in the direction desired by the organisation and by the clients.

The research theme 'Dynamics of Change' consists of three research areas:

#### 1. Challenging the companies

The companies have a need for the kind of humanities-social science research that challenges them on their business foundations, their customers, their markets, their technology applications, their organisational development, their staff development, etc. Some companies directly request that the researchers help them to analyze the firm and what the firm does in new ways. For others, it is a more indirect need, because focus is 100% on the daily operations and development of the firm. For still others, it is a question of not being able to discern what it is humanities-social science research can contribute. In this connection, the objective of humanities-social science research can be to give the companies a sudden flash of insight; the individual firm can see, experience, or be told of associations, challenges, tendencies, etc. which enables it to be able to 'see' new things, which can more or less radically affect the firm's development. In this way, a foundation can be established for a closer dialogue and exchange of knowledge between the humanities-social science research and the companies. This demands that research in the humanities and social sciences has an understanding of the firm and of business development and can master the balancing act between helping the individual firm and at the same time raising the results to a research quality level.

### 2. Readiness for change

Readiness for change is a sought after competence among new candidates on the labour market. However, the companies also feel that it can be a challenge for their organisations to implement successful change processes. We lack research that can elucidate, in a valid way, what works, when and in relation to whom and especially how different types of companies can deal with processes of change. The same applies to the users, the customers and the markets. When is one ready for change, what kind of changes can initiate new trends or consumer needs, and how can a firm help to initiate a change process?

The challenges for research in the humanities and social sciences lie in uniting the professional research fields which should help describe and explore the research field around processes of change. This demands an inter-disciplinary approach where the topic can be elucidated from many perspectives and especially to create a cohesive inter-disciplinary research field which brings together and validates research into change processes.

### 3. Consumer trends and branding

New consumer trends such as ecology and the like and changes in these trends affect the individual companies' brand. The companies have a need for knowledge about how they as a firm should brand themselves in terms of these trends and how the companies' brand can evolve.

The goal of research in the humanities and social sciences is to create a research-based framework of understanding about 'branding' and especially about the linkage

between companies' various brands and the cultural, environmental, and behavioural aspects. Consumer trends are undergoing constant change and development. The research must create a foundation on which the companies can stand when trying to understand the association between branding and the development of their markets and of their client segments. The challenges for research in the humanities and social sciences lie in converting the research-based knowledge about consumer trends, market conditions, cultural conditions, historical conditions, etc. into an appropriate context for the firm.

It demands a great deal of inter-disciplinary cooperation between the various professional areas and a good common framework of understanding between research and the companies. Furthermore, it demands that the researchers link their expertise with business understanding and with an understanding of branding and communication.

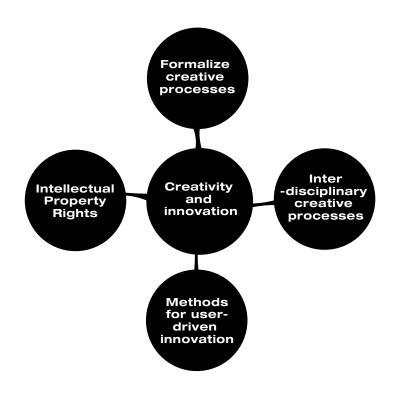
### Cross-cutting initiatives

Cutting across the research themes and research areas are the three priority areas for research in the humanities and social sciences:

- 1. Outreach: Companies express the need for researchers/research to be more active in their relations to the companies. The researchers should be going out and making contact with the companies in those areas where they believe that research has something to contribute. The companies lack knowledge about where the research-related resources can be found that are of interest to them, and the companies are especially lacking in resources to seek out research themselves.
- **2. Challenging:** The companies would like to see that researchers/research become more challenging in relation to the companies, their business, markets, customers, products, services, etc. That is, the researchers should be able to point out 'unseen' opportunities, barriers, threats, challenges, etc. and in dialogue with the firm, become part of the development processes.
- **3. Inter-disciplinary:** The companies see a potential for research in the humanities and social sciences to contribute more to the companies' development. This requires a larger, inter-disciplinary approach for research in the humanities and social sciences. Research must be better at exploiting particular research specialities across the entire spectrum humanities-social science research; for example, between cultural and business understandings or by involving creative fields into innovation processes and business development.



# Research theme: Creativity and innovation



Creativity and innovation are concepts which figure prominently in the companies' awareness. For many companies, however, there is great uncertainty about how exactly they should work with creativity and innovation processes in a structured fashion.

The companies need to be able to formalize their work with creative processes, including knowledge about what works and what does not work, i.e.,

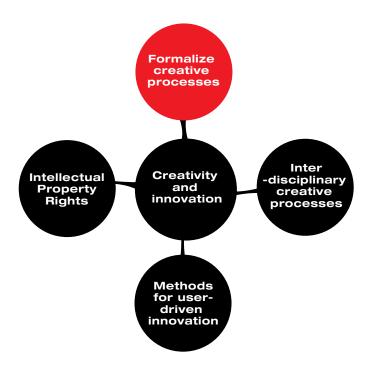
- How do we initiate and control creative processes.
- How to manage creative teams.
- How to organise creative teams.

<u>4.1.1</u>

- What is the significance of inter-disciplinary approaches.
- How to involve the users in the creative and innovative processes.

Finally, there is also a focus on how the knowledge, ideas and concepts that emerge from the creative and innovative processes can be protected through 'intellectual property rights' (IPR). IPR can be an important tool for assessing the value of the processes and the good ideas that come out of them.

### Research area: Formalizing creative processes



There is a need for a research area with a focus on how the companies can work to formalize the creative processes.

Formalization includes issues such as:

- How to articulate creativity.
- How to initiate creative processes.
- How to control creative processes in terms of time and resource allocations.
- How to manage creative workers and creative processes.
- How to create (ensure) results in the creative processes.

#### What do the companies say?

There is a need for a formalization of creative processes, i.e., knowledge about control, articulation and management of the creative processes. This concerns finding the proper frameworks which have the right balance between freedom to develop creatively, obtain new ideas and strict target management. We all have a need to be able to respect the deadlines for customers. This requires control over the creative process, from conception of the idea to delivery of the final product.

Professionalization of creative processes is necessary in order to be able to grow and to be able to create added value for the customers. Formalization legitimates time and resource consumption for the creative processes because it clarifies the world, both in one's own firm and in relation to the customer.

There is a need to understand what happens 'inside the heads of the creative workers' and to understand the psychological processes which occur in relation to management. It does not help to try and manage creative workers with giant Gant diagrams.

How do companies which do not have a tradition for product development and work with creative processes become better at creating and managing new ideas and projects themselves? For example, construction companies with many engineers are traditionally not the most innovative. The engineers should therefore have something else with them in their baggage from their education.

Creativity and innovation are important issues for many companies. Thus, there is a need for research in how a firm can work in a structured way with creative processes and in this connection, how management should act to initiate creative processes. It is a research area where the companies believe that research in the humanities and social sciences can contribute important knowledge.

In research in a formalization of the creative processes there exists a wide range of linkages for humanities and social science researchers to other research areas, for example in research areas within the composition of creative teams, systematic involvement of the users in innovation processes and protection of the ideas and concepts which are a result of the creative processes.

Without research into the creative process, innovation in many companies will be too random, too low quality and too resource-demanding. For the companies, it means among other things that development takes place too slowly, that it becomes less innovative and at worst, that innovation and development in the companies ceases. In this way, the companies are lesser able to compete for good ideas and knowledge and must compete more intensely over price and costs minimizing.



The goal of research in the humanities and social sciences must therefore be to identify the different tools which can contribute to formalizing the creative processes in the companies.

#### Problem for the companies

Many companies have a great need for creativity and to develop ideas in order to maintain innovation and development. It is an essential parameter of competition which requires a strengthening of the companies.

The problem for the companies is to identify those tools which can articulate, initiate, control and manage creative processes, tools which make the creative processes into an integrated part of the companies' way of working and organising themselves.

As concerns research in the humanities and social sciences, there are several research areas where creativity plays a central role. The companies thus cite several areas where research in the humanities and social sciences could be utilized.

One problem which has been pointed out is that researchers and companies find it difficult to communicate because they work in different 'worlds' with different 'languages' and conceptual frameworks.

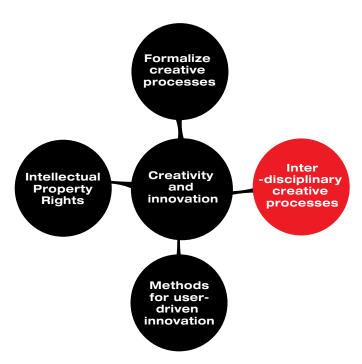
Another and more important problem pointed out by the companies is the researchers' inability to link the research-based knowledge to business understanding and insight into the frameworks and demands to which govern the companies.

### Challenge for research

Research in the humanities and social sciences must utilize its tradition for and knowledge about creative processes in order to develop methods for formalising the creative processes. In addition, there is the challenge for research of linking up this knowledge and methods to business-oriented processes which can be applied in the companies.

It will therefore be extremely important in this process that strong professional linkages are built up between the creative and the more business-oriented research areas within humanities and social science research.

# Research area: Inter-disciplinary approach to creative processes



There is a need for a research area focusing on the role of inter-disciplinary cooperation in creative processes with a focus on what works and what does not work, when and why.

This area should focus on issues such as:

- How should creative groups be composed?
- What does an inter-disciplinary approach mean for creativity?
- How can companies, working consciously with new inter-disciplinary constellations, transcend product limits and expand frameworks of understanding?
- How can an inter-disciplinary approach to creative processes help to see behind the immediate, behind that which we used to think was the possible/correct?

#### What do the companies say?

There is a need for knowledge on inter-disciplinary approach in creative processes – how to do and how it can create profit.

Cooperation without limits between design and art.

To have many different people work together in the design process is interesting as well as go through with design processes that emphasis unexpected processes as value. To make things happen.

The academic research is too protectionist – with closed doors between the disciplines. Focus must be inter-disciplinary for instance by having researchers within social science and humanities working together with researchers from science and technology.

The designers do not always understand "the real world" and the companies for whom they are working. The designers can learn from the Business schools and vice versa when it comes to doing business out of design and how to find a better balance between aesthetics and concrete value.

The humanities must be better in showing the connection between people and business.

Creativity and innovation are in focus in many companies, and many companies are demanding humanities-social science research in this area.

Companies must be aware that creativity is stimulated in inter-disciplinary teams. The question is to a greater degree how one finds the optimal inter-disciplinary approach and to determine how broad the inter-disciplinary cooperation must be. It is one thing to bring together engineers with different professional backgrounds. It is something else when to try and explore the limits of creativity and innovation. To what extent does an inter-disciplinary approach make any sense?



The goal of the research area is to describe the dynamics in the creative groups, including the special significance and relevance of an inter-disciplinary approach



It will also be a special objective to explore and challenge the boundaries for when and how the research in the humanities and social sciences can contribute to creative processes in the companies.

### Problem for the companies

Many companies have a great need for creativity and to develop their ideas in order to maintain their innovation and development. The companies are aware that it is an important parameter of competition which they must strengthen. The problem for the companies, however, is to create the proper frameworks and find the right people who can build creative environments and generate ideas.

Most companies place a great focus on operations, sales and the bottom line, and thus operate with a relatively limited time frame. It means that the employees whom they hire will have qualifications and competencies in relation to these goals.

The companies therefore lack staff who can challenge the firm with new professional approaches and market-related frameworks of understanding, workers who, through creativity and innovative thinking, can strengthen the firm's long-term development.

Many companies feel that they have neither the human/professional or financial resources for such development processes. Therefore, models and methods are being sought which describe how the firm can obtain the greatest possible impact and value through such long-term development processes.

Several companies point out that it is precisely by involving greater inter-disciplinary cooperation and challenging the companies with new approaches and creative ideas and proposals for solutions that research in the humanities and social sciences can contribute to the companies' development.

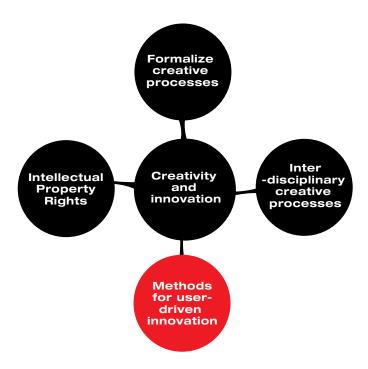
### Challenge to research

The challenges for research in the humanities and social sciences lie in creating a well-formulated best practice model for how the researchers can contribute to development and innovation in the companies. In the most optimal fashion, researchers, with their professional expertise and alternative approaches, should be able to challenge the companies and at the same time take part in the creative development processes.

The challenge becomes one of finding a model where the research institutions and the researchers on the one hand contribute to an understanding of how inter-disciplinary cooperation and creativity interact and on the other hand to go out into the companies and work concretely with creativity and innovation in the individual firm.

It is in this field of interaction that research becomes extremely interesting for the companies. Because there is both a focus on the individual firm and at the same time a research-based (valid) data gathering of what works and what does not work. In this way, the companies also obtain access to some general methods for going forward in their work.

### 4.1.3 Research area: Methods for user-driven innovation



There is a need for a research area which explores methods and processes for user-driven innovation. Which methods and processes work and which ones do not - when and why?

#### What do the companies say?

All of us are told that we should send an anthropologist into the field, but it is expensive.

We need to know how it can be systematized and what kind of methods are suitable for which projects. When is it enough to carry out a field study of ten users, and when should you move into a customer's home for a week in order to adequately understand their needs?

There is a need for methods to be able to see behind the immediate. Analyses often show us only what we can already see right in front of us, but we need to understand people's desires and needs on the basis of parameters other than those which they say. To discover the patients' unarticulated needs is a great challenge.

We have to convert the users' needs into hard knowledge-sharing systems. Anyone can sit down and get a good idea. The important thing is to be able to convert the good idea into a concrete (protected) product or service, and to be able to earn money from it.

User-driven innovation is a fashionable buzz word, and many companies can easily see the idea of linking users and clients closer to the firm's innovation process. Through user-driven innovation processes, the companies seek to gain insight into those ideas they can get from the clients and thereby figure out what the firm gains from linking users/customers closer to the innovation process in the firm.

The companies believe that research in the humanities and social sciences can play a role in this area because it contains both the business aspect in the companies' innovation processes and an understanding of the needs, desires and choices of the firm's users/customers.



The goal is to develop credible methods for user-driven innovation, methods which contain both the business aspect and the deeper understanding of users/customers which the individual firm possesses.

### Problem for the companies

Many companies have a need to strengthen their creativity and innovation, at the same time as they need to tie the customers closer to them (obtain greater customer loyalty).

In many companies, these two things have been and continue to be separated into product development and marketing. With concepts such as user-driven innovation and branding, however, the work processes begin to flow together, and in many companies there is a great need for the development of best practice methods.

For the companies, it concerns making user-driven innovation into a credible method and integrating it into business development. The companies lack understanding about how these new concepts can be practically approached and especially how these new concepts and methods can change the companies' mode of action in their daily operations.

### Challenge for research

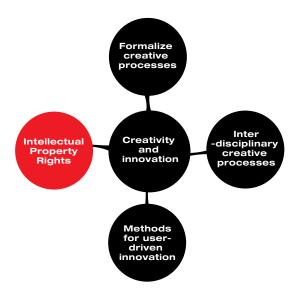
The challenges facing research in the humanities and social sciences lie in developing methods and frameworks of understanding for user-driven innovation which can easily be integrated into the companies. Research is important for the companies because it ensures a certain degree of validity and creates a theoretical framework of understanding.

The companies point out that humanities-social sciences research has the advantage of seeing user-driven innovation as something more than just technological development. To a great degree, it is about being able to link the users/customers' understanding with market-/cultural understanding and with organisational-/business understanding.

The challenge for research in the humanities and social sciences therefore becomes that of being able to link together the very different research approaches and creating a broader and deeper understanding of user-driven innovation: What is user-driven innovation? Why is it interesting? How is it implemented out in the companies?

The question is whether humanities and social science research can master the conceptual world of user-driven innovation in a professional way.

### 4.1.4 Research area: Intellectual Property Rights



There is a need for a research area which looks at how intellectual property rights (IPR) are used and protected in creative processes, innovation and research and development.

For example, how do companies incorporate IPR considerations at an earlier stage, as a part of the process, in order to strengthen the development and ensure intellectual values?

#### What do the companies say?

How can IPR be used/integrated in the innovation process?

It is always the IPR questions that mess things up.

There is a need for templates for IPR agreements (sharing of IPR) in the development processes between public research institutions and private companies.

There is a need to comb the world market for new research results which can be converted into new products. There is so much knowledge lying in the patent registers, but how do you approach it and use it systematically in the innovation process?

An increasing part of IPR requires more crossover competences between hard and soft competence areas.

IPR developments are headed in a direction where it is increasingly the intangible (the hot air, the soft competencies) which give the product value rather than the tangible aspects (the technology, the product).

It becomes more difficult to train people to be able to judge IPR because so much concerns having crossover competencies between different professional areas and between the 'intangible' and the 'tangible'.

In order to protect IPR, you have to bring the IPR considerations into the process earlier. This is because that you must often patent around the product or service in order to protect it, for example, with name, design, applied technology, etc.

Intellectual Property Rights (IPR) or protection of immaterial rights include all forms of protection of technique, business logos, design, craftsmanship and literary works through patents, use models, trademarks, copyright and design protection (Danish Industries IPR guide), in other words, the protection of knowledge.

In creative and innovative processes, knowledge naturally plays an essential role. Therefore, it is also important to be able to protect the knowledge one has, and to be able to earn money on the knowledge one has by selling it. This is especially relevant when companies and research move in a direction where a greater and greater part of value creation lies precisely in the immaterial knowledge in or around the product.

In relation to the 'old' patent protection of physical products, IPR distinguishes itself markedly and poses new demands to the development and 'patenting process' because IPR considerations must enter the picture much earlier in the creative and innovation process itself than is the case in the patenting of physical products.



The goal of the research area is to make it easier and more attractive for researchers and companies to utilize and exploit IPR, including the integration of IPR as a tool in research and development processes in many companies.

### Problem for the companies

The companies express the view that there are two problems with IPR.

- 1. Much IPR is already registered, but not all IPR is utilized and can in fact be purchased, at auctions, for example. There are many challenges and considerable opportunities for searching within existing IPR and purchasing the rights (knowledge). But many companies do not know how to do what is required and especially how it can be used strategically in business development.
- 2. Companies that produce knowledge, that work with ideas, concepts, design and the like have a need to include IPR considerations early on in the creative process and in the innovation process. This is needed not only in order to protect their knowledge, but also to obtain descriptions of knowledge, ideas, etc. in concrete terms so that the knowledge can be protected and sold. In this context, IPR becomes a way of working with creativity and innovation more strategically and as a business concept used by both companies and researchers.

The problem for companies is to a great degree the lack of knowledge about what to do and ought to do in relation to IPR and especially how IPR appraisals can be made a part of the creative process and innovation process.

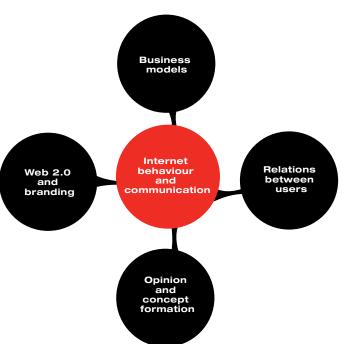
### Challenge for research

The challenge for research in the humanities and social sciences is to link the creative research areas with legal, economic, and organisational research and to utilize the inter-disciplinary crossroads to create methods and structure around creative processes and IPR.

It is not only research which is directed toward companies, but to a great degree also toward the research institutions themselves and the cooperative relations where the research institutions and private companies form partnerships or other cooperative relations. It is therefore a challenge for research to be a proactive actor that develops best practice methods.

### Research theme: Internet - behaviour and communication



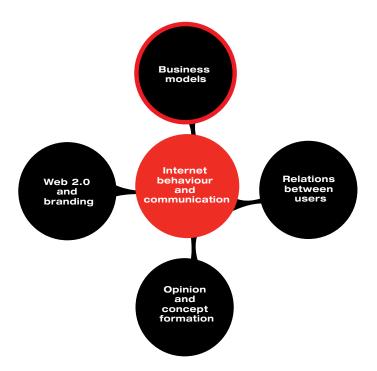


The Internet – behaviour and communication is the focus of many companies. For many companies, however, the Internet and Internet business strategies towards customers and internally in the organisation is an area where they lack knowledge and especially knowledge about best practice for precisely this type of firm.

### Among the companies, special focus is placed on:

- Development of new business models how will the companies understand and develop their business area through Internet business models.
- Greater insight into and knowledge of how companies can use the Internet to develop their relations with users and relations between users.
- How should opinion- and concept formation be developed on the Internet and how should the firm both utilise opinion- and concept formation and protect itself against it?
- Internet offers entirely new opportunities for the companies to brand themselves. However, there is a need for knowledge about what, how and why branding is important and especially for whom branding is important.

### 4.2.1 Research area: Business models



There is a need for a research area in business models for Web 2.0. This area deals with:

- How economically interesting business models can be created.
- The development of business models in existing companies.
- Development of entirely new business models for entirely new companies.

### What do the companies say?

There is a need for business models for how we earn money from and in Web. 2.0?

How do you make money on Internet pages in the future? Is there a future for banners, or how will the advertising revenue come in the future?

Price structure on the net - what and how much will people pay for and when?

For many companies, the Internet is still a way to communicate with the customers. But we are constantly seeing that companies throughout the entire world are searching for and developing new business models. These can be existing companies, which develop their business through Web business models, or they can be entirely new, Webbased companies with completely new business models.

The companies have a need for research that can describe and understand these developments, but also to create new methods and to challenge the companies' business understanding.



The goal is to obtain greater insight into business models in Web 2.0, including best practice in different business areas.



A further goal is to develop entirely new business models for Web 2.0 in existing business areas and in existing companies, as well as to develop entirely new business models on the basis of research in the humanities and social sciences.

### Problem for the companies

The problem for the companies is that they can see that in their environment, many new Web-based business models are emerging, and they suddenly see themselves threatened by an entirely new set of competitors.

In the companies, one is attentive to the new opportunities, but there is also a need to develop and describe valid, credible (research-based) business models on the basis of which they can assess the possibilities.

For the companies, it is a question of exploiting new opportunities, but to a great degree, it is also a question of running the risk of being overtaken by competitors who compete on the basis of entirely new conditions.

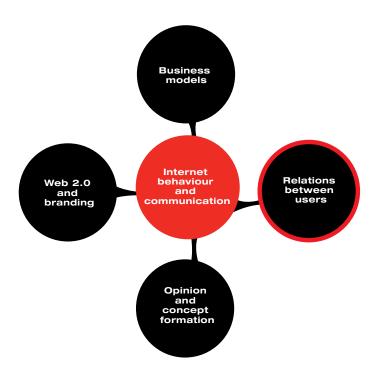
### Challenge for research

The challenge for the research in the humanities and social sciences is to produce research which can describe methods and best practice for companies wanting to develop Web 2.0 business models.

But there is also a larger challenge for humanities and social science research. It is a challenge to accord more inter-disciplinary focus to developing entirely new unique Web 2.0 business models.

The inter-disciplinary focus must lie especially in the intersection between the 'softer' humanities research and the 'harder' social science/economics research. It entails, for example, greater business understanding in the humanities research and a greater cultural and environmental understanding within the social science/economic research.

### 4.2.2 Research area: Relations between users



There is a need for a research area in the development of relations between the users on the Web 2.0 platform.

This would include areas such as:

- Development of social networks
- Possibilities for dialogue-based communication with and between users
- Development of platforms and possibilities for conversation
  - Real (between people)
  - Virtual (between people and program)

### What do the companies say?

There is a need for knowledge about the formation and development of the social networks, the significance of the dialogue-based and how conversation on the Internet can be developed.

When you have to make IT-applications, we have to have a better understanding of the connection between different cultures (e.g. countries, professionally, educationally) the language one uses and their understanding of symbols (icons to applications).

The teachers at the institutes cannot keep up because they utilize the same methods and knowledge as they did many years ago.

The researchers have to be able to tell us what is going on.

We need to know something about how software is used out there among the users, how they use our products and what gets them to choose our products.

How do you give IT-applications a personality so that the user can communicate with them more easily?

The development of new Web 2.0 business models is strongly connected to communication and relations between the users, and between the users and the firm. The relations which are built up are extremely important for the success of the business model, externally in relation to customers in for example, sales, service and marketing, and internally, as concerns information management and knowledge sharing and for the firm's creative and innovative processes.

Work is carried out with different forms for relations between users. In this analysis, focus has been on the social networks (formation of communities) development of different forms for dialogue-based communication with and between the users and development of platforms for conversation between users and between 'machine' and users.



The goal of this research field is to obtain an understanding of how to create relations in Web 2.0 business models and particularly, how to develop new models for how Web 2.0 can be used to create relations between users and between users and the firm.

### Problem for the companies

The problem for the companies is how they must begin to work systematically in developing relations between and to users as an integrated part of the firm's business model; that is, how Web-based communication and dialogue are developed from being 'fun gimmicks' to being a serious part of the firm's external and internal communication and relationship-building.

It is important for the companies to understand and develop Web-based relations between the users because an increasing number of users are utilizing Web/Internet as their most important source of information and knowledge. For communicating, young

people rely especially on their mobile phones as their preferred form of communication.

If the companies are going to be where their users (customers) are, they must develop Web-based business models. It is absolutely essential for Web-based business models that they target their users (customers) and their needs and desires. For many companies, this is something which lies outside their normal business understanding, and many companies therefore experience that they lag behind developments and are falling behind the competition.

### Challenge for research

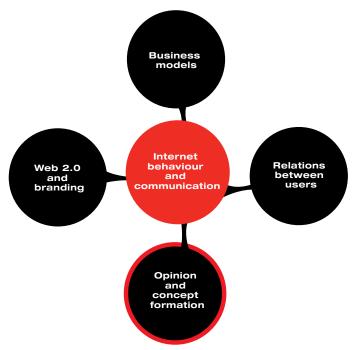
The challenge for the research in the humanities and social sciences is to be able to transfer knowledge, research and research results about relations, dialogue, communication, communities, social networks, cultures and the like into a web-based context and to be the driving force in the development of new business models, new forms of communication, and the like.

This means great demands will be placed on humanities and social science research to be both creative and innovative and to be able to transfer/translate knowledge into a Web-based context and then into Web-based business models.

Research in the humanities and social sciences must therefore possess a high degree of initiative and entrepreneurial spirit, so that ideas and knowledge can be transferred to the companies and applied to new business models.

There is a considerable inter-disciplinary aspect here, and this is relevant to other research in the humanities and social sciences. Relevant research partners include the IT-educations and IT research, e-learning research communities and those working in game development.

## 4.2.3 Research area: Opinion- and concept formation



There is a need for a research area in how digital media and fora affect the formation of opinions and concepts, including how users relate to source criticism on the Internet.

Opinion and concept formation, because of the new digital media, are changing and developing. New media quickly emerge and disappear, attracting and affect different target groups.

The information in the digital media are of varying quality and validity, just as the sources vary from formal public sources to hidden sources without the possibility for verification.

#### What do the companies say?

How do the digital media affect the formation of opinions and concepts?

How do the companies try to function as their own media users?

Source criticism on the nethow do you relate to it as a user?

Rights and documentation are the greatest challenge for the media's credibility. Anyone can set up a home page which looks pretty and write whatever they want without documentation.

The new media lack legal guidelines for documentation on the Internet e.g., the news media?

How can source criticism be introduced on the Internet?

The users are varied and the users appear more and more often as both providers and users of the information. High quality and the validity of knowledge are not always synonymous with a high value for the users. For some users, it is more important that information and knowledge are up to date and new.

For companies where it is important to be a part of opinion and concept formation, it is important to understand these dynamics in order to be able to act with the greatest possible influence and least possible risk.



The goal of this research area is to attain greater insight into the dynamics behind opinion and concept formation in the digital media.

This includes especially:

- User behaviour and the users as providers and consumers of information and knowledge.
- Communication strategies for companies in digital media, best practice and development of new communication concepts.

### Problem for the companies

The problem for the companies is not so much finding or providing valued information. The problem, rather, is related more to operating and communicating in an information-based world where it is difficult if not impossible to affect the information which might have an influence on the firm's image/brand/credibility/sales. This applies, for example, to the assessment of the firm's products and services, but also to the uncontrollable opinion- and rumour formation to which companies or branches can be subjected.

Opinion and concept formation on the Internet has evolved in an incredibly dynamic and anarchical way, where old norms of credible knowledge and information become overshadowed by accessible, easily digestible and exciting knowledge.

For the companies it therefore often becomes a question of keeping themselves outside the debate and involving themselves in only very controlled and steered initiatives. The free exchange of opinions and ideas thereby becomes restricted. Branding of companies is a good example of how companies attempt to create a uniform external and internal picture of their attitudes and values. Corporate social responsibility (CSR) is another way in which companies attempt to secure themselves in relation to opinionand concept formation.

### Challenge for research

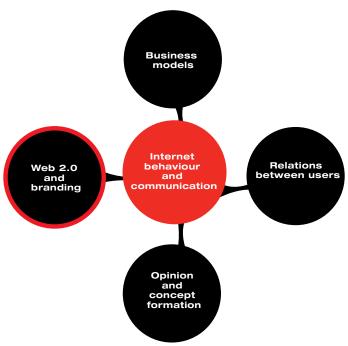
The challenge for the research in the humanities and social sciences is to be able to

carry out firm-relevant research on a research field where developments proceed very rapidly and where the processes of change are incredibly dynamic.

The firm-relevant research would be that the companies would obtain greater access to knowledge of dynamics, developmental possibilities and pitfalls for companies that desired to take part actively on the Internet, a form of 'best practice' methods.

A special problem is the lack of research in this area and that it has evolved without a strong research affiliation. It will therefore be important to examine how a research area is created that has both a critical mass and an inter-disciplinary breadth. Thus, there is a need for passionate researchers who can elevate the research area and who have the ability to create a field of inter-disciplinary research in the humanities and social sciences that also has a developing and innovation research element, where work is carried out with new modes of using the Internet in communication and in opinion and concept formation.

### 4.2.4 Research area: Web 2.0 and branding



There is a need for a research area focusing on how Web 2.0 affects the companies' development and maintenance of their brand, including how Web 2.0 can help to change, undermine and develop entirely new brands.

#### What do the companies say?

There is a need for knowledge about and documentation of the connection between maintaining of a credible brand and the Internet.

Internet how do companies create an identity on the net? What is identity on the net?

How does it relate to the firm's 'real' identity?

What new business possibilities does Web 2.0 open up for (viral, citizen, journalism, identity and brand) and what are the consequences for the companies' design, brand, marketing and business development?

Internet very interesting what will happen with viral marketing and 'Second Life'/virtual worlds. How does it work and how will people use it? Who uses it and how?

The Internet plays an increasingly greater role in the firm's external branding. But what is lacking is a strong connection between the branch and the research communities with a critical mass and a broad inter-disciplinary character.

Companies' branding and marketing are strongly connected to creative communities in the consulting world, and the real knowledge of what works and what does not work lacks documentation/validity which can elevate knowledge from individual cases to a research-relevant level, where generally applicable methods are generalized and developed.



The goal is to build up a research environment with a sufficiently critical mass, a research environment with a special focus on carrying out firm-directed research able to increase the level of knowledge in the companies and especially develop best practice type methods.

### The problem for the companies

The problem for the companies is that it is difficult for them to find and obtain valid information and knowledge about how to start branding processes on the Internet. There is a tendency to follow the latest new buzz word, but what is lacking is a valid and well-analyzed foundation on which to stand. Companies and organisations' attracted to the on-line game Second Life are a good example of this.

It means that in terms of branding, companies are spending money on processes and measures without these being based on a solid and valid foundation. It can cost customers money and create frustrations among staff, who do not see any association between the ideas of the management/consultant for the firm and the reality they are experiencing.

#### Challenge to research

The challenge for research in the humanities and social sciences is to develop a research environment around branding, including research on branding and Web 2.0.

In this research area, the challenge is perhaps especially large because Web 2.0 and branding draw on a very great inter-disciplinary tradition and especially very great differences and understandings across various fields. The research area lies in an intersection between the humanities, the commercial area and the technological areas and must be able to contain very diverse research approaches, ranging from behaviour and culture to business development and research on the technological cutting edge of the Internet. It therefore requires not only professional depth but also an ability to work across a broad spectrum of professional specialties.

### **Research theme: The aging society**





The aging of the population and the significance for future product and market development is of great interest to the companies.

The companies express a need for knowledge about how future generations of elderly will deal and think about their lives (consumption, free time, work, etc.) and what this means for the firm's internal conditions (HR, management, etc.) and the business possibilities and market development.

It demands that research be capable of elucidating the challenges and the possibilities of the aging society from several different professional perspectives and that it be able to exploit the inter-disciplinary possibilities. In addition, it demands a research which has the ability to convert research knowledge into forward-looking firm-oriented knowledge, which the companies can use in their future development.

Furthermore, there is a need for research which can describe some of the health-related challenges which will be one of the consequences of the aging society. Which frameworks can the public system offer, who shall have access to which services and which services shall be offered and which shall not? It demands not only an economic, health-professional, political and ethical research-related insight to elucidate these challenges, but a comprehensive research area which can elucidate the challenges in context.

### 4.3.1 Research area: Inter-disciplinary and forward-looking



There is a need for a cross-disciplinary research area which has a forward-looking perspective in forming a holistic picture of the consequences, challenges and potentials in the aging society of the future. This entails further study of the following issues:

- What does aging mean for the needs and wants of the various groups, including generational differences and gaps?
- What is the significance of aging for our way of organising work?
- What is the significance of aging for our understanding of and desire for life quality?
- What is the significance of aging for the design of products and user interfaces, etc.?
- What is the significance of aging for our views about work and our demands on our work, including our view of the life phases which we pass through?

### What do the companies say?

How do different generations want to experience aging? Individuality vs. community in the future.

Values, needs and desires of generations. How large a range of options will people really have or should Y-firm choose for them?

How do people relate to the future—what is the limit for how far one can reasonably plan (one's life)?

How can youth who are anti-authoritarian and zappers be managed? In this connection, how do you make a place for diversity?

Externally, in terms of marketing and segmentation, how do you approach the different generations?

How do you accumulate the various generations in the companies and who becomes norm-setting for the companies' ethics, values and business understanding in ten years?

Will the new generations (e.g., Generation X, the Zapper Generation) end up changing the way in which companies are managed, capitalized and the way in which they generate knowledge?

What perspectives does the ageing society offer to management (and to many other aspects of the firm's operations)?

Which companies will attract the best and which the worst workers?

### Problems for the companies

The problem for the companies is that even though they can observe developments toward an aging society, they find it difficult to discern the effects and consequences for the firm's products, markets and organisational development.

In relation to products and the market, the companies are especially looking for more knowledge about the development in the generations' set of values, needs and desires; e.g., the relation between individuality and community, how different generations would like to experience aging, and how the firm should approach the different generations.

The companies can also observe several problems in relation to their internal development. This concerns, for example, how the aging of the labour force comes to affect workplace culture and loyalty and how the firm can handle (and manage) different generations, including the great gap between, for example, anti-authoritarian youth who change jobs quickly, and the elderly, who perhaps value stability and experience.

### Challenges for research

The challenge for research is to be able to create a multi-disciplinary research field with a critical mass, a field that can generate a larger, 'holistic' picture of the consequences of the aging society. There exist many research areas which each concern themselves with 'research corners' of the aging society. In order to provide a total 'holistic' picture, however, it is necessary to link these different approaches together and work with consequences and development across the research areas.

The research area will also be challenged by also having to work in a future-oriented way, i.e., working with many different possible consequences of the aging society and to especially work together with the companies in a development-oriented way toward product development and market adaptation. This will impose additional multidisciplinary demands because the research area must embrace both research in knowledge and research in development.

### 4.3.2 Research area: Health and costs



There exists a need for a research area in health and costs in special relation to the aging society and a health-technological development, where we can now treat increasing number of illnesses with more types of treatment. The research area must investigate both the social-economic calculations of new health technologies and especially study how we measure and valorise life quality for the patients who are offered the new forms of treatment and those who are not.

#### What do the companies say?

How do we define quality of life? How do we place a value on quality of life? How do we measure quality of life?

What does it mean for the patients to live with (chronic) pain? Increased focus on quality of life creates increased need for documentation and research.

What are the costs of poor quality of life? For the individual and for society?

How is health perceived in other cultures and how does health delivery system affect this perception?

Cultural and political/legal differences pose different challenges; for example, one can advertise for drugs in the United States but not in Denmark.

The pharmaceutical industry is crying out for health economists, as the demands for documentation of the health economic effect of new products is in increasing demand by the authorities.

#### Problem for the companies

Along with the aging of the population, there is an increased focus on health, preventive health care and costs. With our ability to treat more and more physical and mental illnesses, the result is increasing costs. Patients' associations, the pharmaceutical industry and public authorities often face difficult dilemmas as to which patients should have access to which types of treatment.

The problem for the companies is that it is difficult to assess which new forms of treatment, health technologies or products for the improvement of people's life quality will be a part of the public treatment system. This creates a need for research which can bring about a generally accepted basis for social economic calculations of new treatment offerings and new medicines.

### Challenge for research

The challenge for research in this research area is to be able to balance between life quality for the individual, costs for society and the health-technological possibilities and new forms of treatment.

It is a research area which will receive a great amount of political attention. Hence, research must pay special attention to ethics, validity and ensuring high degree of research competence.

For its part, the research area will be able to obtain a central position in relation to companies, public authorities, patients' associations and politicians because it will be able to help define the political and economic frameworks and set of ethical rules for developments in health technology and for treatment possibilities.

# Research theme: Culture and business understanding





Companies are seeking out knowledge about cultural understanding and business understanding, especially in the new and 'unknown' market. Lack of cultural understanding and knowledge of the new markets are often obstacles for the companies. This means that the companies lose out on development opportunities and are wary about entering/cultivating new markets.

This theme concerns issues such as:

- Exploiting the Third World as a market, in which case the companies find it difficult to identify the possibilities and see themselves confronted with major obstacles such as security and corruption.
- To understand how cultural differences effect the adaptation and development of products and services.

## 4.4.1 Research area: The Third World as market



There is a need for a research area in business possibilities in the Third World.

This area concerns issues such as:

- Development of business models in the Third World.
- Cultural understanding of the markets, including needs and desires of the consumers.
- Understanding of business culture, including business models. In addition, knowledge about corruption and lobbyism.

### What do the companies say?

It is not an easy task to understand the political system in Third World countries, and most often it is customary to pay (corruption). Therefore, one must usually entirely refrain from doing business in these countries. We have a code of conduct which we should respect. And you simply can't do it in these countries.

How do we utilize BOP -- the Bottom of the Pyramid -- the 3-4 billion people who live at the bottom of society? What kinds of products are they looking for, and what can they consume? What is ethically defensible marketing toward this group? We don't know enough about how we produce and sell to this group with the point of departure in their needs and economic capacities.

How does one obtain even better access to markets where there is none today? In Eastern Europe, for example.

Danish companies must seek out new markets, which often demand cost-heavy campaigns. How is this done differently and without it costing so much?

The Third World is not a great priority for many companies. The reasons can be several, but for many companies viewing the Third World as an attractive market is not an option. This is because it is difficult to be able to identify business models in the Third World in a combination of lack of cultural understanding, ethical considerations and knowledge of the demand on these markets.

Furthermore, the companies feel that there are major obstacles in terms of the different kinds of requirements for lobbyism and especially the different attitudes toward corruption. Companies thus feel that entering Third World markets may require too great an investment, even though these markets can be viewed as having great potential. In addition, the other research areas, security and risk perception, also play a role in the companies' way of acting on Third World markets.



The goal of research in the humanities and social sciences is that it should open the way for a cultural- market- and business understanding of the opportunities for Danish companies in the Third World. One can also say 'build a bridge' between Danish companies and markets in the Third World.

### The problem for the companies

In their business development, the companies seldom focus on the Third World because market developments are seen as too complicated and as having too many barriers. Security and risk problems help to reinforce this picture of problems.

However, many companies thereby risk losing out on many market possibilities and allowing these growing markets to be taken over by global competitors.

The companies are aware of the problem of not focusing on these new markets, which demand a special effort or development focus. The companies are often focused on their daily operations (quarterly and budget year) and do not have the extra energy to challenge themselves and their business concepts and market understanding.

In relation to the research in the humanities and social sciences the problem is for the companies to obtain a closer dialogue with the researchers, such that they can open themselves up to the researchers being able to 'enter' the firm and challenge the firm from within. Thereby, the researchers can contribute proactively to the companies' business understanding and market development in the Third World.

#### Challenge to research

The challenges for research in the humanities and social sciences lie in developing research so that it can also contribute proactively to the development of the companies' market understanding and the cultural and environmental conditions under which the companies must develop their markets.

By 'proactive' we mean among other things that researchers must be able to challenge the companies on the new market opportunities and new product and service needs even before the companies themselves have seen the possibilities.

This requires that research in the humanities and social sciences translates its research-based knowledge, of cultural and environmental factors, for example, into knowledge relevant to the firm, and that it can communicate this knowledge out into the individual companies. To a far greater extent, research must take the initiative in relation to the companies.

## 4.4.2 Research area: Cultural differences



There is a need for a research area in cultural differences. This area includes:

- Understanding of cultural differences in different markets.
- Understanding of different cultures in individual markets, for examples ethnic, professional or regional.
- Adaptation and innovation of existing products and technologies to new markets and to new customer segments.
- Differences in workplace and organisational culture in different markets, for example as concerns companies wishing to establish themselves in new markets.
- How one integrates different cultures within companies in Denmark, for example hiring foreign employees.

The concept of 'ethno-raidshas been used to describe what is needed. The concept entails sending people (researchers) out into the world with the goal of implementing targeted cultural studies adjusted to firm-specific needs. This is something that many large companies have the possibility to carry out, while it is too expensive for smaller companies.

#### What do the companies say?

The rules and laws of other countries challenge business in a non-transparent way.

Cultural differences are always the challenge, especially when purchasing is carried out, for what kind of management style should there be? It often ends up with 'my way or the highway'. Cultural differences, for example, should be integrated into due diligence processes so that considerations are made from the very start regarding the cultural differences that might affect the fusion process.

How can one integrate foreign employees into the business culture and into the organisation?

It may well be that the leadership will agree on strategy and values, but the challenge is to implement it across the time zones, countries, etc., reaching out into the individual teams in the field.

Twenty nationalities in a department are not unusual, what does this require in terms of new ways of managing?

Must not focus on the differences but on how to work best in a cross-cultural team, e.g., as project manager, how do you integrate a cross-cultural team?

The researchers have to observe and interpret with 'Danish' eyes. How do we convert our products to a new context, and which new products are in demand in another context? For example, there is a double interpretive task in first interpreting the Chinese patterns and then forming it in such a way so that both the Danes and Chinese can understand it.

Close cooperation with researchers is a cardinal point in our methodological development of ethnographic methods.

'Need scouting', going out and investigating the needs, has to be carried out in connection with projects.

To a great degree, research in the humanities and social sciences can contribute to many companies' understanding of cultural differences. Understanding of cultural differences in the companies is critical not only for the development of the market but also for the organisational development and employee satisfaction in the companies.

National, regional and ethnic cultural differences play a key role. However, professional specific cultural differences are also important because the companies are dependent on different professional cultures being able to work together despite differences in nationality, professional orientations or ethnic backgrounds.

Research in the humanities and social sciences can send the researchers out on 'voyages of discovery' and explore new markets for the companies, what some call 'ethnoraids'. Research in the humanities and social sciences is especially relevant because it has a deeper understanding of the cultural, human, ethnographic developments. Therefore, the idea is that such research can 'see' changes earlier, e.g., changes in consumer patterns, development of new needs or new market segments with entirely special desires for the products and their 'usability' (applicability).



The goal of research in the humanities and social sciences is to create under standing of the importance of cultural differences so that the companies can use and exploit these differences as an asset in the firm's development. A particular objective is that methods and concepts be developed which the companies can use to manage cultural differences in a proactive and positive way.



The goal of research in the humanities and social sciences is that it should function as a motor for the companies' marketing, product and service development. The research must set the agenda in a business context and create new 'connections', identify new 'associations' and predict new trends and tendencies on a valid, research foundation, with professional authority and at the same time disseminated in a way so that it creates insight and shows possibilities for the companies.

### Problem for the companies

The companies' problem is that they often lack the depth of understanding of the importance of cultural differences and especially the effects of these differences on their marketing and organisational development possibilities. The companies know well that cultural differences mean a lot and that there are potential gains from a better understanding of cultural differences.

The problem for the companies, however, is that they lack access to the knowledge about cultural differences, and here we can mention a knowledge which is directed toward their needs. The companies want humanities and social science researchers who come to the companies, challenge them, and help them to explore the cultural 'reality' in which the companies act. That is, in what kind of culture could the companies' products and services be sold and used, and in their encounter with other cultures, what kind of cultural challenges and opportunities do the companies face in their organisational development and work processes.

Many companies are under pressure in terms of resources and finances to work with a relatively short time frame on their familiar markets, with the traditional products and with the tried and tested technology. In order to be able to make an optimal contribution to the new markets with another culture, it is necessary to think in alternatives and to explore new opportunities.

Large companies which work with a point of departure in global markets have different versions of what we here call 'ethno-raids'. Many smaller companies do not have the same resource-related possibilities. For these companies, research obtains a far more important role in organising and initiating 'ethno-raids'.

### Challenge for research

The challenges for research in the humanities and social sciences lies in being able to contribute to the companies' understanding of and insight into the importance of cultural differences for the developmental possibilities for the companies.

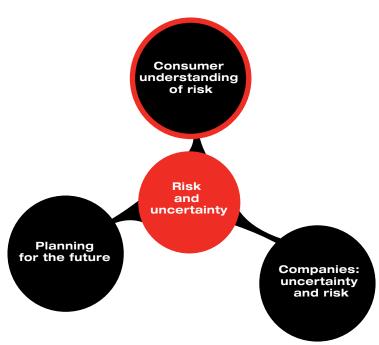
For humanities and social science research, this means that a unique perspective on research should be developed, a perspective which can convert research results into the kind of knowledge that the companies can apply.

In other words, research has to be 'packaged' so that the companies can more easily utilize it. This means that the humanities and social sciences will be challenged in their ability to be able to go into dialogue with the companies and to think in terms of concrete initiatives that can improve the individual firm's business- marketing- or organisational development.

Researchers must go out into the companies and challenge them in their marketing understanding and product development. This requires that humanities and social science researchers exploit the inter-disciplinary potentials within research and, for example, link cultural and environmental understandings together with business understandings and entrepreneurship, so that business and marketing development can derive greater benefit from the results of humanities and social science research. It is of crucial importance that the researchers also be able to place the individual firm's product, organisation, technology, brand, etc. into the marketing and cultural context in which the 'ethno-raid' takes place.

# Research theme: Risk and uncertainty



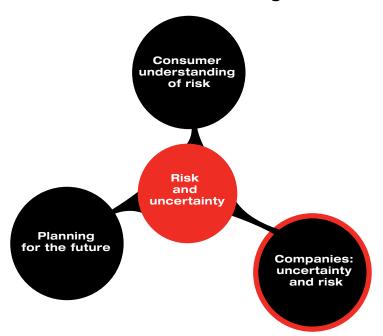


The companies are seeking out research which can help them to operate in a world with greater uncertainty and risk on the companies' markets and in relation to the users and their way of acting.

### This theme includes:

- The companies feel that the consumers behave unpredictably in terms of risk.
- The companies therefore need tools for managing uncertainty and risk in relation to their markets and the consumers.
- The companies need knowledge about and tools for dealing with the future over a longer-term perspective.

## 4.5.1 Research area: Consumer understanding risk



There is a need for a research area focusing on the consumers' understanding of actual and perceived risk, e.g., in relation to:

- Social developments
- Specific products
- Different cultures

### What do the companies say?

We need knowledge about cultural differences in perceptions of risk.

The consumers' understand of risk on the Danish market (risk perception).

The Danes are very sceptical about everything new (e.g. nanotechnology) but it is not the same challenge abroad.

The hearing-impaired feel stigmatized with a hearing aid, while one gladly uses all kinds of other hearing technology, such as cellular phones.

The consumers' perceived risks and the actual risks are often very different. There are many examples of companies who have become caught in situations where the users' perceived risk was much greater than the actual risk. Just as it can also be the reverse, where the real risk is greater than the consumers' perceived risk. Some of these 'cases' are created by the mass media. For many larger companies, risk management in relation to the press is something they work with internally and a service that they purchase from a communications consultant.



The goal of research in the humanities and social sciences is to create a better understanding within the companies of risk factors and dynamics and especially to develop methods for risk control and risk management.

### The problem for the companies

The problem for some companies is that they are often unprepared for the difference between the perceived risk and the actual risk. The perceived risk is not necessarily related to the actual risk and cannot always be 'combated' with facts about the perceived risk.

The companies therefore experience that they must fight a battle on unfamiliar terrain -a battle they feel they cannot win, regardless of what they do.

The problem for the companies is that they do not have the resources and knowledge to work with research problems systematically in the organisation. Hence, they often purchase a service provided by an outside consultant and the knowledge is seldom diffused into the entire organisation, but is instead limited only to the management and especially the communications director.

The companies therefore have a need for research-based knowledge that can help them understand and manage risk factors and dynamics of risk, including obtaining a better understanding of their customers' risk perceptions.

### Challenge for research

The challenge for research in the humanities and social sciences is to use the many different inter-disciplinary research traditions in order to understanding risk factors and risk dynamics from the consumers' perspective and to thus look forward and identify potential and 'impossible' risks in relation to the consumers.

It therefore also becomes a challenge to have a very broad professional research approach which covers many different consumer segments and many types of companies, products and services. For the companies, it is precisely an independent point that research must be able to elucidate and challenge the companies concerning those risks of which they are not aware or have not yet 'seen'.

It is thus also a challenge for research to become familiar with the companies and their markets to such a degree that they can interact toward the companies in a proactive manner.

#### 4.5.2

## Research area: Companies' uncertainty and risk

There is a need for a research area that examines how the companies understand, protect themselves and operate in a changing world, which includes changes in actual and perceived risk; this must include an understanding of how the companies must act in terms of existing international threat/security scenarios. These new types of risks apply to the firm in several contexts:

- In relation to the market
- In relation to products
- In relation to knowledge
- In relation to employees.

#### What do the companies say?

Uncertainty in trying out something new is great, but as soon as you have tried it once, everyone can get the idea.

There are many other factors which affect the companies' uncertainty and risk, e.g., environment, competitors, globalization, politics, etc.

It is precisely globalization and the Internet that are factors which have greatly affected the companies' uncertainty and risk, because there are many more factors, more places in the world, that can affect the companies' developmental and survival possibilities. The companies are therefore forced to be able to deal with far more factors, and it becomes more important for them to be able to operate more pro-actively and less reactively.

For the companies, more and more markets today are characterized by the firm having to be proactive in dealing with the security threats and uncertainty and the risks that accompany these threats.

In relation to the market, there exists uncertainty in some countries and regions about the market's general openness toward investments that are undertaken. Perhaps there is especially great uncertainty and risk in relation to threats and security problems directed toward an individual firm and its employees, such as kidnapping, or towards Danish companies generally, as was seen during the 'Muhammad cartoon crisis' in early 2006.

These aspects naturally also affect products, knowledge and especially the employees who must work with threats and in areas with an enhanced security risk.



The goal of research in the humanities and social sciences is to create a better insight into and understanding of all those factors of uncertainty which affect the companies, both in the short term but especially over the long term. It is especially over the long term that the companies have problems, but it is also often here that the greatest uncertainties and risks are hidden.



The goal of research in the humanities and social sciences is to create a better understanding of and insight into different threat perceptions and security scenarios in which the Danish companies can find themselves operating, and as a natural consequence of this, how the firm can operate in these markets and especially deal with chaotic or crisis situations.

#### Problem for the companies

The problem for the companies is that they can experience uncertainties and risks which over the short and long term can affect the firm's development and perhaps its very survival. The problem is linked especially to the dilemma that the companies are well aware that something is happening in their environment about which they ought to be more aware. Yet in order to survive in the day-to-day competition, they nevertheless feel that they must keep their eye on their bottom line and generate results here and

The companies are used to working under conditions where threats and security are normally not factors with which they must deal. However, markets with very great uncertainty and risk can also be very lucrative markets, e.g., Russia, Eastern Europe, the Middle East, South America, Indonesia, etc.

Large companies which have the resources and organisation to manage uncertainty and great risks can successfully act on these uncertain markets. For smaller companies, however, their possibilities are more problematic. It therefore affects both the companies' vulnerability, but also their developmental potential.

### Challenge for research

The challenge for researchers in the humanities and social sciences is to create a research area that can challenge the companies on the uncertainties and risks they face in the future while outlining the possible threats and security risks that exist in the companies' markets.

The task for research becomes that of finding a balance where research gets close enough to the individual firm so that the firm can be genuinely challenged in their conventional understandings of business, marketing and technology. At the same time, however, research must also be able to bring together the methods, theories and best

practice, such that the companies themselves can adopt these into their organisation and their developmental processes.

An additional challenge is to provide information and insights about future challenges, uncertainties and risks and at the same time do so in a valid, credible way, relevant to the research, and not simply provide random predictions about what the future will bring.

Furthermore, it is a challenge to link this knowledge together with business- and marketing understanding, such that research can contribute to the formation of business models, organisational development, employee development, etc., This can enable the companies to operate proactively and reactively on the relevant markets.

## 4.5.3 Research area: Thinking about the future

There is a need for a research area that focuses on how people and companies relate to the future. That is to say:

- How do we relate to uncertainty?
- How do we deal proactively with the challenges of the future?

#### What do the companies say?

How do people relate to the future, what is the limit for how far one can reasonably plan?

The enhanced foods of the future, what do the consumers want and on which markets? We ourselves try to look into the future and plan, but we work with a maximum of five-year strategies.

The strategy plan is six-year. It is based on a personal sense about what can be done and a balance between breathing down the necks of your employees with a short-term schedule, where they must run fast, and a longer schedule that allows room for creativity and innovation, but which still sticks to the future picture that we can imagine and which is reasonably probable.

Future research — What will be new in the future? Research must be able to challenge the companies.

Most companies work with time spans which extend themselves over quarters or fiscal years, and a few of them work with strategic plans with a five-year scope. Globalization, advances in technology, increasing competition, developments in the labour force, however, all mean that many companies need to be able to 'see' further out in time.

The companies feel a need to be able to relate to the developmental tendencies they confront in the future, in order to avoid being out competed and in order to exploit the new possibilities that can emerge.



The goal of research in the humanities and social sciences is to help the companies gain knowledge of the developmental tendencies which can affect them in the future and to give them insight into how the internal and external activities of the organisation should operate in the future.

### Problem for the companies

The problem for many companies is that they do not possess or cannot allocate resources for the long-term development of the firm or organisation. The companies, managers and employees are faced with many short-term problems and challenges, and the firm's success criteria seldom extend longer than the current budgetary year.

In addition, the companies have a problem in knowing for which areas and in such cases how far into the future they can plan. Precisely because developments and changes take place so rapidly, it is difficult to say anything certain about the future.

In this way, it is a strategic problem for the companies. Why should they think about the future? How should they do it? What do they get out of it? The companies are aware that it is necessary and that it would be good for the firm, but how should this be done at the same time as the firm must make a profit.

## Challenge for research

The challenge for humanities and social science research is to develop the research and the research results so that it has a more forward-looking perspective, i.e. to build further on the traditional research results and to develop methods which, with a forward-looking perspective, can produce research-based findings that are useful to the companies.

Furthermore, it is a challenge for research to describe and develop methods for use by the companies which can demonstrate why it is important for the companies to think about the future, and to develop methods which enable the companies themselves, in their strategies and within their organisation, to apply methods which help them to think about the future.





The companies are searching for entirely general research which can document on a valid foundation the value, relevance and impact of research in the humanities and social sciences. This concerns especially the 'soft values' and the professional expertise which lies 'in the neighbourhood' of the product, what some companies call 'intangibles'. The intangibles have been emphasized by several companies as that which gives customers greater value for the product.

Along with this, research in the humanities and social sciences must become more result- and business-oriented toward the companies. That is, research should focus more on documenting their value, relevance and impact to the companies. In this way, research can enter into dialogue with the companies.

## 4.6.1

# Research area: Measuring the value of research



There is a need for a research area which measures the value of humanities and social science research for companies.

#### What do the companies say?

Measuring the value of design is the latest thing right now.

The greatest challenge in the design field is to explain the soft values, that it is a supergood business to work with soft values, it is generally the soft values that are in focus.

How do you change the academic mind-set so that it becomes more result-oriented?

Connect method-related thinking with a result-oriented thinking.

The social sciences must become better at explaining what is important and they must participate in assessing the value of intangibles.

We know that the companies which apply design solutions and mainstream design into their products generate greater earnings. But we do not know whether, for example, it is their marketing of the product or the design itself which has generated the figures on the bottom line that put them in the black. It is perhaps both, but how big is the share of the design solution/process?

From understanding to action, it should be tangible; show and document what the firm gets out of it.

In order to describe the value, relevance and impact of the humanities and social science research it is essential that research be carried out on methods which can help to measure and thereby document the value, relevance and impact of research for the companies.



The goal is to be able to document for the companies, in a valid and credible way, the value, relevance and impact of research, and thereby create closer bonds between the companies and the humanities and social sciences research community.



The goal of research is not to find one specific method, but rather, to develop a catalogue of different methods which are valid under different conditions. The methods can be many, from case-oriented to processual, and from qualitative to quantitative methods.

### Problem for the companies

The companies lack insight into what humanities and social science research can specifically contribute to the individual firm's development. However, because the companies lack highly skilled personnel, they view the humanities and social science graduates as interesting prospects.

The companies' view of humanities and social science researchers is that they often work with broad problems, which have a longer time-frame than those of the companies.

The problem for the companies, therefore, is that they hire humanities and social science graduates more out of necessity than because of a genuine desire to do so. The companies' lack of insight into what humanities-social science research can contribute means that they do not exploit the competencies of the humanities and social sciences graduates in an optimal way.

For many companies, there will be a great need for 'best practice' methods, i.e., how the individual firm approaches it, how the general research findings of the humanities and social sciences results can be interpreted into a firm-specific context.

### Challenge for research

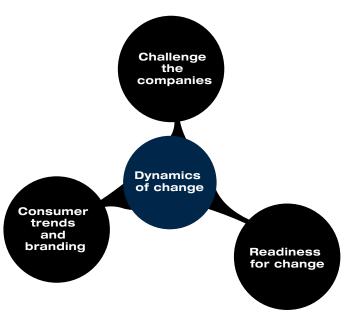
A challenge for humanities and social science research is to demonstrate and document how research can create short- and long-term value for the companies. One cannot expect that the companies themselves are able to see the possibilities; therefore, researchers must actively go out into the companies, demonstrate their findings and challenge the companies.

It is therefore greatly important that humanities and social science researchers generate methods which can show and document the value of their research for the companies, because it can 'open doors' and create visibility about humanities and social sciences research. In addition, it can form the basis for hiring more humanities and social sciences graduates inside the companies.

The companies are seeking out research in the humanities and social sciences that can challenge their readiness for change and help them to develop and change themselves in the direction desired by the organisation and their customers.

# **Research theme: Dynamics of change**





This theme includes issues such as the following:

- That the researchers must challenge the companies about their products and services, their markets, their customers, etc.; that is, tell the companies something they do not know about their firm and their way of doing business.
- That the researchers must help the companies to be able to change and to adapt themselves in order to find the proper direction and to increase the capacity for change within the organisation.
- That research must help the companies see and understand changes in consumer/ customer behaviour, including research in and developing methods which help the companies develop their brand so as to adjust to the changes.

# 4.7.1 Research area: Challenging the Companies



There is a need for a research into the companies' unacknowledged needs and possibilities where the researchers challenge the companies.

The tasks here include:

- Need 'scouting', what kind of new consumer preferences and needs emerge?
   How can the companies identify these earlier?
- How do the companies become more proactive and prepared to understand and exploit the new trends and new needs and use these to create possibilities?
- How can anthropological and ethnographic methods be used in a business context to create a deeper understanding of consumers and marketing development?

#### What do the companies say?

The researchers must challenge us - pose questions about what we do not know.

What kind of shift will take place and why?

Future research- what will be the new thing in the future, challenge the companies.

We're starting to have too many older workers in the firm, and they don't get the new impulses into the firm.

The companies need humanities and social science research that challenges them regarding their business foundation, their customers, their markets, their use of technology, their organisational development, their employee development, etc.

Some companies directly request that the researchers help them to view the firm and what the firm does in new ways. For others, it is a more indirect need because focus is a hundred percent on the daily operations and development of the firm. For still others, it remains a question that they cannot see what humanities and social science research can contribute.



The goal of the humanities and social sciences research challenge to the companies is to open the companies' eyes so that they can see, feel and become aware of associations, challenges, tendencies, etc. which enable the individual firm to 'see' new things that can radically affect the firm's development. In this way, a foundation can be created for a closer dialogue and development of knowledge between humanities-social science research and the companies.

### Problem for the companies

The problem for the companies is that they do not have the resources and competencies to challenge themselves and to pose the necessary 'What if...' questions about their business concept, their products, markets and customers.

Many companies express the view that they are well aware that it is a problem because they become more vulnerable and risk being overtaken by new competitors; by new products or that they overlook new tendencies in the market. They can miss out on developmental possibilities and in the worst case, their very existence can be threatened.

The companies lack a 'formula' to prevent this situation. Asked directly, many companies would like to have humanities and social science researchers come out into the firm and give them a critical assessment and challenge them. But it is also the companies' impression that it is difficult for them to take the initiative by themselves.

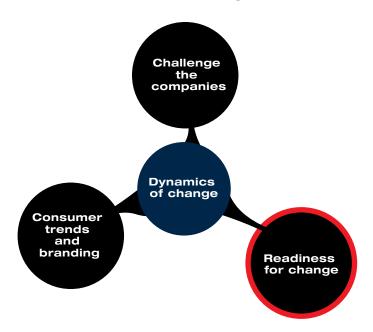
The problem in relation to humanities and social science research is that there is a lack of networks and connections between the companies and the research community, and a particular lack on both sides of a clear picture of how they could use each other.

### Challenge for research

The challenges for research in the humanities and social sciences lie in taking the initiative, coming out into the companies and challenging them on their own home ground. Research must give the companies the experience of discovery, give them new knowledge and a greater insight, challenge them on their own self-understanding, the way they do things, their markets and customers and the way in which they use their technology.

This task requires that humanities-social science research have an understanding for the companies and business development and can master the balancing act between helping the individual firm and at the same time lifting the results to a research-relevant level.

# 4.7.2 Research area: Readiness for change



There is a need for a research area in readiness for change in the companies and organisations and among the consumers. For example, research should be done on those factors which affect readiness for change, and research should be carried out on those best practice methods that can affect readiness for change.

#### What do the companies say?

There is much insecurity about trying something new, both within the firm and among customers.

There is a need for knowledge about the significance of the small things for change effects.

Globalisation means that they must consider dealing with the entire value chain.

Revolutions in the branch first take place when it goes from being supply-driven to becoming demand-driven, because demands will arise for the product/the service/the company to be cheaper, better and more effective.

Can we be a telecommunications company, coach/advisors, dating firm, reverse collection agency, and help people complain by standardizing complaint cases, etc. What is the limit for business development?

Readiness for change or capacity for change – the companies are seeking out knowledge about how they become better to take in new ideas, technologies, etc. Uncertainty about trying out new things is great, which among other things is due to the fact that we lack insight into what works and what does not work, when it demands a great effort to create change and when several small initiatives are better at initiating a change process.



The goal of research in the humanities and social sciences is that it should help companies to understand what factors affect readiness for change, internally within the firm and its organisation and externally, in relation to the firm's market and its customers, and if possible, to create an overview over best practices in different situations.

### Problem for the companies

The problem for the companies is that they lack insight into and overview of how they can implement successful change processes. Research is lacking which can elucidate in a valid way what works, when and in relation to whom and especially how different types of companies can deal with processes of change.

The same applies in relation to the consumers, customers and the markets. When is one ready for change, which factors can set off new trends or stimulate consumer needs, and how can a firm participate in a change process?.

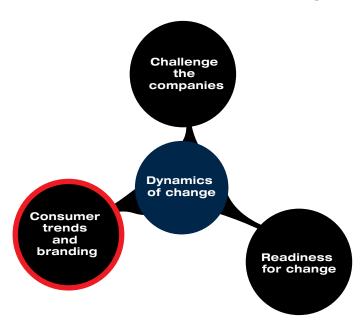
The problem in relation to humanities and social science research is that the companies can well see that through cultural studies and ethnographic and anthropological approaches, something can be said about processes of change. But we have yet to identify the research which gathers together the framework of understanding and research field in relation to the companies' needs.

### Challenge for research

The challenges for research in the humanities and social sciences lie in uniting the technical research fields which must participate in describing and exploring the research field around processes of change. This demands an inter-disciplinary approach where the topic can be elucidated from many perspectives, as well as the creation of a coherent inter-disciplinary research field that unites and validates research in change processes.

It is a challenge to create a united research area which both includes micro- and macro-level studies and which can both work practically, theoretically and philosophically. Finally, it should be able to be translated to the companies and made applicable in business-related or organisational development context.

# 4.7.3 Research area: Consumer trends and branding



There is a need for a research area in how the large (new) consumer trends affect the companies' brand development.

- Is it important with a strong brand for all companies, for whom and why?
- What kind of best practices exist in this area? How does a firm exploit consumer trends and build a strong brand?

#### What do the companies say?

What do the major consumer trends mean in relation to branding?

To be able to apply anthropological and ethnographic methods in a business context is important.

What happens to a firm's identity when it becomes global?

We must describe and understand needs and desires among the customers though the application of humanistic and anthropological methods. A concrete example could be within price-setting/price structures: How do the consumers relate to 'pay as you like' (pay what you think this service is worth).

Have thrown themselves into many more and different brands/business concepts and attempts with a trial-and-error process.

What effect do trend-setter consumers and this segment of the market have on the rest of the market, and how does it connect with product range and related products?

Which products can be advantageously tested on trendsetters?

What are the social/psychological mechanisms/processes which take place when a trendsetter segment takes on a product? What is the trickle-down effect to the broader consumer market, and how can it be affected?

New consumer trends and the changes in these affect the individual companies' brand. The companies need knowledge about how they as a firm should brand themselves in relation to these trends and how the companies' brand can evolve.

To this field also belongs the issue of to whom a brand is important, to the firm, to the customers or to both? In general, research is needed focusing on why a brand is important, for whom it is important and how to create a brand and adapt it to developments in consumer trends.



The goal of the research in the humanities and social sciences is to create a research-based framework for understanding branding and especially the linkage between the companies' brand and the cultural, environmental, behavioural, etc. consumer trends which are undergoing constant change and development. Research must create a foundation on which the firm can stand when they have to understand the association between branding and the development of their markets and their customer segments.

### Problem for the companies

The problem for the companies is that they lack insight into and understanding of what branding is, what it means for the communication with the customers and the environment and especially the need of the firm to develop and adapt its brand.

There are many private companies that offer to help companies develop their brand. But the companies feel that they themselves lack a valid foundation of knowledge when they enter the branding process. They ask, 'Where do we go when we want to know something independent of branding, and what can it do for our particular firm?'

The problem in relation to humanities and social science research is that there are many areas able to describe developments in consumer trends and cultural differences, especially about the cultural and historical context in which a given firm's brand should

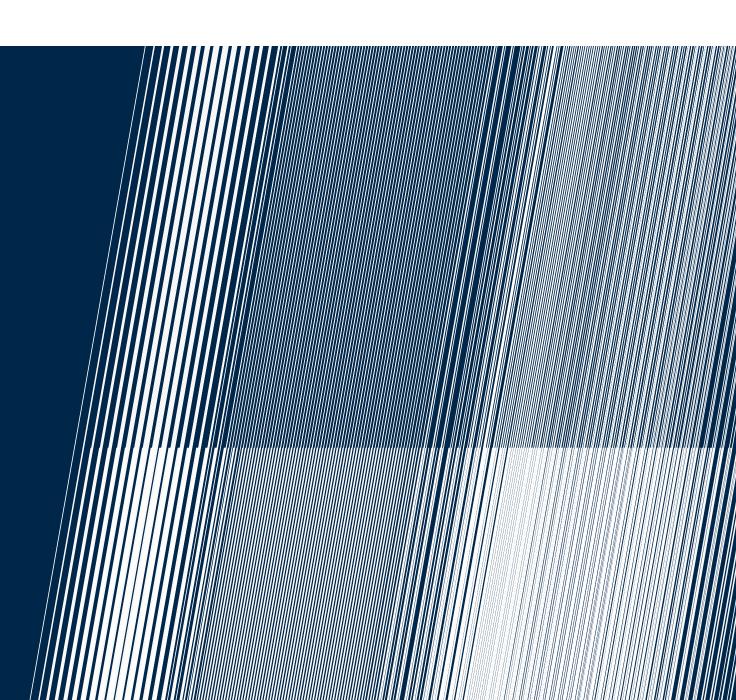
be able to operate. But the companies and the researchers have not yet been able to 'get to know each other' so that the researchers' knowledge could be converted into the way in which the companies must 'brand' themselves/communicate to their markets.

#### Challenge to research

The challenges for humanities and social science research lie in converting the research-based knowledge about consumer trends, market conditions, cultural conditions, historical conditions, etc. into a business context adapted to the specific firm.

This requires a great deal of inter-disciplinary cooperation between the various fields and a good common framework of understanding between research and the companies. Furthermore, it requires that the researchers be able to link their professional expertise with a business understanding and an understanding of branding and communication.

It concerns being able to take very specific humanities and social sciences knowledge, e.g., understanding of culture, behaviour and history in specific populations (customer segments) and linking this knowledge to the communication behaviour in the firm as it applies to these groups, a communication behaviour governed by the firm's general brand.

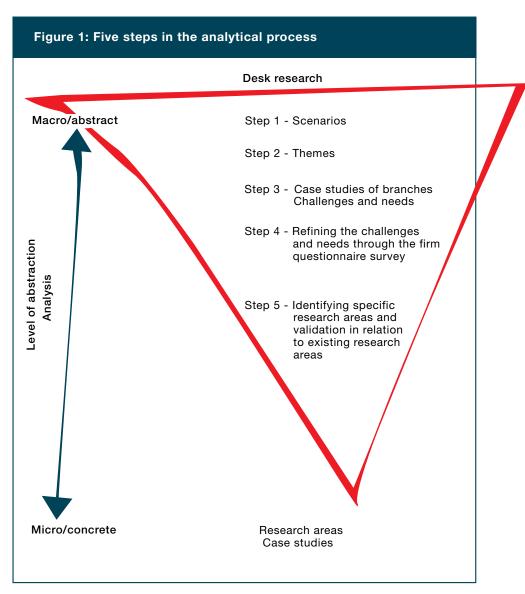




## 5.1 Method: A five-step analytical process

New Insight has applied several different analytical methods to arrive at the companies' research needs. These can be described in five steps (see the figure below):

- 1. Studies of existing explorative future trends tracing macro-tendencies.
- 2. Selection of general themes on the basis of scenarios which represent interesting and relevant future challenges and needs.
- 3. Qualitative interviews with companies from seven different branches. Testing of challenges and needs selected on the basis of steps 1 and 2 and identification of additional challenges.
- 4. Quantitative survey which puts into context the results from the interviews with the companies carried out in cooperation with Børsen's gazelle companies from 2006 and Greens Analysesintitut.
- 5. Validation of new research themes through the joint workshop with DEA, representatives from the university community and the business sector.



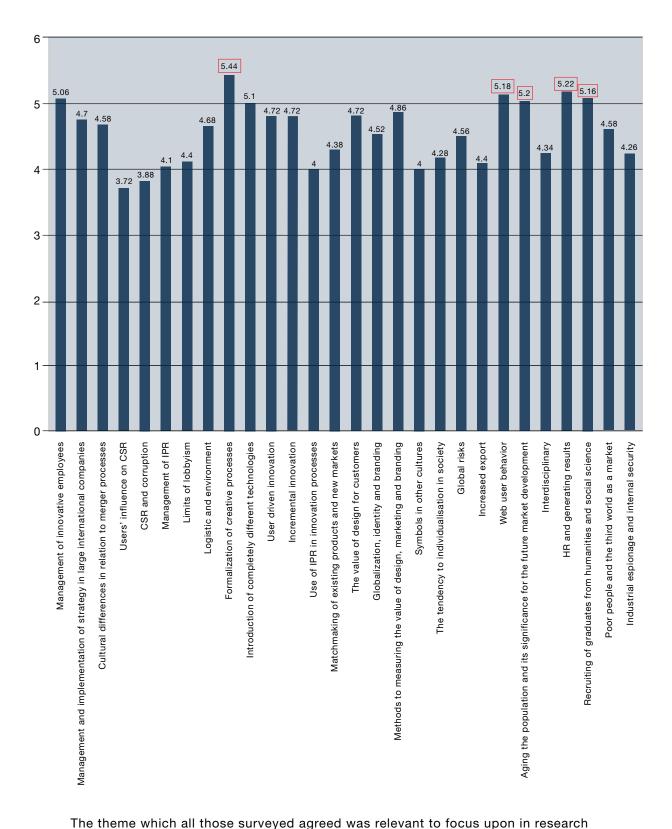
## 5.2 Survey and main findings

The survey was carried out in cooperation with Greens Analyseinstitut, and the respondents were selected from among the gazelles from 2006. The questionnaire was distributed by e-mail. The managers of the companies were asked to complete the questionnaire in their capacity as generally successful managers and not based on the history of their firm.

The managers were asked a total of 29 questions concerning research themes and to prioritize the themes on a scale of importance from one through seven, where seven was the most important. Several themes were found to be branch-specific and were therefore not included in the survey.

The questionnaire was sent out to 350 gazelle companies of which 18% responded.

The same questionnaire was also sent to the interviewed companies participating in the study. In total, 100 companies provided input on the issue of new research areas relevant to business development.



terms is the challenge which consist of 'formalization of the creative processes'

## 5.3 Comparison between workshop results and survey findings

In step 5 of the analysis process, a workshop was held with representatives from the research community and the businesses sector, the purpose being to assess the research relevance of the selected themes and challenges. Those themes and challenges which the participants found not to have been considered by research were labelled as 'green'. The themes and challenges where it was assessed that research communities existed but the companies' knowledge of research was limited were characterized as 'yellow'. The themes and challenges that were already well-analyzed and well known were labelled 'red' and thereby uninteresting for the list of reseach of areas.

By combining the results from the gazelle survey and the workshop, we obtain an overview of those themes and challenges viewed as most important by both the gazelle companies and the participants in the workshop.

The results of this analysis appear in the following table.

Results of survey vs. workshop						
Survey: Gazelles	WORKSHOP					
Most significant	<ul> <li>Formalization of creative processes (5.44)</li> <li>Aging of the population and importance (5.22)</li> <li>Internet generation 2.0,</li> <li>User behaviour and commercial possibilities (5.18)</li> </ul>	<ul> <li>HR and generating results (5.22)</li> <li>Recruiting recruiting of graduates from humanities and social sciences (5.16)</li> </ul>				
Least significant	<ul> <li>Users' influence on CSR (3.72)</li> <li>CSR and corruption (3.88)</li> <li>Use of IPR in innovation processes (4.0)</li> <li>Limits of lobbyism (4.4)</li> </ul>	<ul> <li>Symbols in other cultures (4.0)</li> <li>Management of IPR (4.1)</li> <li>Industrial espionage and internal security (4.28)</li> </ul>				

Hence, the following themes were assessed by the companies as being the most important:

- Formalization of creative processes
- Aging of the population and its significance for the future market development.
- Web 2.0 user behaviour and commercial potentials.

