CHAPTER 5

# Types of Research Design and Exploratory Research

## Learning Objectives

1. Explain what a research design is.
2. List the three basic types of research design.
3. Describe the major emphasis of each type of research design.
4. Describe the basic uses of exploratory research.
5. Specify the key characteristics of exploratory research.
6. Discuss the various types of exploratory research and describe each.
7. Identify the key person in a focus group.
8. Discuss two major pitfalls to avoid with focus groups (or any other form of exploratory research).

## *Introduction*

A research design is simply the framework or plan for a study used as a guide in collecting and analyzing data. It is the blueprint that is followed in completing a study. It resembles the architect's blueprint for a house. While it is possible to build a house without a blueprint, the results will probably be a little different than what the buyer had in mind: Rooms are too small or too big; something important was left out. And the house will usually end up costing more than necessary, as changes are made to fix problems as they arise.

It's possible to do marketing research without a detailed blueprint, but like a building project without a plan, the results are almost always less than desirable. If the results from such projects are usable at all, they often provide little more than interesting information that does little to address the real marketing problem.

**research design**
The framework or plan for a study that guides the collection and analysis of the data.

The research design ensures that the study (1) will be relevant to the problem and (2) will use economical procedures. There are multiple research design frameworks, just as there are many different kinds of house designs. Fortunately though, research designs can be broken into three basic types: exploratory, descriptive, or causal.[1]

**Learning Objective**

1. Explain what a research design is.

## TYPES OF RESEARCH DESIGN

**Learning Objective**

2. List the three basic types of research design.

The goal of exploratory research is to discover ideas and insights. A soft drink manufacturer faced with an unexpected drop in sales might conduct an exploratory study to generate possible explanations. Sometimes exploratory research is necessary to adequately define the manager's decision problem.

**exploratory research** Research design in which the major emphasis is on gaining ideas and insights; it is particularly helpful in breaking broad, vague problem statements into smaller, more precise subproblem statements.

Descriptive research is typically concerned with determining the frequency with which something occurs or the relationship between two variables. It is usually guided by one or more initial hypotheses. An investigation of the trends in the consumption of soft drinks with respect to such characteristics as age, sex, and geographic location would be a descriptive study.

**descriptive research** Research design in which the major emphasis is on determining the frequency with which something occurs or the extent to which two variables covary.

A causal research design is concerned with determining cause-and-effect relationships. Causal studies typically take the form of experiments, because experiments are best suited to determine cause and effect. For instance, a soft drink manufacturer may want to determine which of several different sales promotions is most effective. One way to proceed would be to use different sales promotions (e.g., coupons) in different geographic areas and investigate which approach generated the highest sales. If the study was designed properly, the company might have evidence to suggest that one or the other promotional approaches caused the higher rate of sales.

So which is the best research design for a particular situation? Most, but not all, projects involve some degree of exploratory and descriptive research; only some call for causal research. The choice of research design hinges mostly on how much managers already know about the issue to be studied. When a decision problem has arisen from unplanned changes in the environment, there is usually a need for exploratory research to better understand what is happening and why it is happening, and exploratory research should be used to get insights into the situation. Sometimes, however, managers have a great deal of knowledge about the situation—they know what the key issues are and what questions need to be asked—and the focus quickly shifts to descriptive research that is geared more toward providing answers than generating initial insights. When a company needs precise answers about the effects of various proposed marketing actions on important outcomes, managers use causal research.

**Learning Objective**

3. Describe the major emphasis of each type of research design.

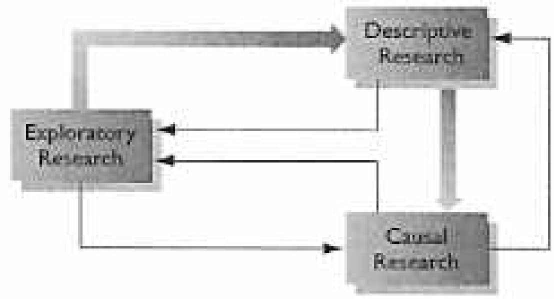
**causal research** Research design in which the major emphasis is on determining cause-and-effect relationships.

The three basic research designs can be viewed as stages in a continuous process. Figure 5.1 shows the interrelationships. Exploratory studies are often seen as the initial step. Consider, for example, the following problem: "Brand X's share of the soft drink market is slipping. Why?" This statement is too broad to serve as a guide for detailed descriptive or causal research. Exploratory research should be used to narrow and refine the problem. The goal would be to find possible explanations for the sales decrease. These tentative explanations, or hypotheses, would then serve as specific guides for descriptive or causal studies.

Suppose the tentative explanation that emerged was that "Brand X is an economy-priced soft drink. Individuals have more money today than when the brand was first introduced and are willing to pay more for higher-quality products. It stands to reason that our market share would decrease." These tentative explanations, or hypotheses, that people have more real income to spend and that a larger proportion of that money is going toward higher-priced soft drinks could be examined in a descriptive study.

If the descriptive study did support the hypotheses, the company might then wish to determine whether individuals were, in fact, willing to pay more for soft drinks.

**FIGURE 5.1** Relationships among Research Designs




## Manager's Focus

In several of the preceding Manager's Focus sidebars we have emphasized the importance of your learning how to evaluate for *yourself* the appropriateness of proposed research methods. Mastering the material in this chapter will be your first major step toward developing those capabilities. Specifically, it is essential that you be able to determine whether an exploratory, descriptive, or causal research design is most suitable given what you currently know about your marketing situation.

If you stop and analyze your own personal experience, much of what you have learned has resulted from asking yourself questions and then seeking answers to those questions. But the questions you ask differ depending on the nature of your circumstances and your understanding of them. For example, when something occurs that you do not expect, meaning you do not understand your situation very well, you likely ask yourself "What might be some reasons why this happened to me?" You need to identify some possible answers to this question before you can have any idea what some appropriate responses to the situation might be. As you begin to better formulate some *possible* explanations for the event, you might begin to ask "how large and important is this new situation I am facing?" Answering this question can help you begin to determine some ways you might respond to the situation, and whether it is in your best interest to respond at all. Later you may determine that there are several reasonable ways you might respond to your situation and for each alternative you might ask the question "If I respond in this manner, what effect will I likely have on the situation?" The answers will help you determine which alternative action to take.

As you will see in this chapter, determining the most appropriate type of research design is really nothing more than identifying what type of question you should be asking yourself at this point in time *given what you currently know about your marketing situation*. Exploratory research designs are used when you don't understand your current situation very well. You "explore" to find answers to "What might be?" types of questions. In contrast, descriptive research designs are used to answer "How large?" types of questions. You are "describing" the degree to which groups have certain characteristics or the size of the association between two or more variables. Finally, causal research designs are utilized to answer questions such as, "If we do this, what impact will we likely have in the marketplace?"

How do you know which type of question you should be asking? The answer is really quite simple. If you have carefully completed the problem formulation stage using the research process, the type of question you should be asking yourself now will have been identified already. The key, then, is to be certain the type of research design employed actually fits the type of question you are trying to answer.

Further, the managers might want to determine what attributes (such as sweeter taste, fewer calories, type of artificial sweetener) were most important to consumers. This might be accomplished through a test market study, a causal design.

Although we've presented the different research designs as if they must proceed in order, that's not always the case. Sometimes managers will get results from descriptive or causal projects that lead to more questions which lead to more exploratory research. The smaller arrows in Figure 5.1 demonstrate the different ways in which the types of research design can be interrelated.

## EXPLORATORY RESEARCH

***Learning Objective***

4. Describe the basic uses of exploratory research.

The general objective in exploratory research is to gain insights and ideas. When conducted correctly, exploratory research should provide a better understanding of the situation; this kind of research is not designed to come up with final answers and decisions. At the end of the exploratory phase, researchers hope to have generated hypotheses about the key aspects of a situation. A hypothesis has been described as an educated guess; in more formal terms, it is a statement that specifies how two or more measurable variables are related.

**hypothesis**
A statement that specifies how two or more measurable variables are related.

In the early stages of research, we usually don't know enough about a problem or an opportunity to formulate a specific hypothesis. There are often several tentative explanations for a given marketing phenomenon. For example, sales are off because our price is too high, our dealers or sales representatives are not doing the job they should, or our advertising is weak. Exploratory research can be used to establish priorities in studying these competing explanations. Top priority would usually be given to whichever hypothesis appeared most promising in the exploratory study.

Exploratory research is also used to increase a researcher's familiarity with a problem, especially when the researcher is new to the company and/or problem. For example, a marketing research consultant who is working with a company for the first time will likely need to develop a working knowledge of the industry, company, and specific problem area. Exploratory research is good for this.

An exploratory study may also be used to clarify concepts. For instance, if management is considering a change in service policy intended to increase dealer satisfaction, an exploratory study could be used to (1) clarify what is meant by dealer satisfaction and (2) develop a method by which dealer satisfaction could be measured.

An exploratory study can be used for

- Better formulating the manager's decision problem
- Developing hypotheses
- Increasing the researcher's familiarity with the problem
- Clarifying concepts

In general, exploratory research is appropriate for any problem about which little is known. It becomes the foundation for a good study. Exploratory studies are typically small scale and quite flexible.

***Learning Objective***

5. Specify the key characteristics of exploratory research.

**Small Scale** Regardless of the particular methods employed, exploratory studies should almost always be relatively small in size. Researchers simply can't afford to devote the bulk of the research budget to exploratory research. What would be the point, anyway? Answers and decisions will flow from descriptive and/or causal research, not from the exploratory research. Having said this, however, we want to emphasize that enough resources must be devoted to exploratory research to ensure that the problem has been adequately defined. Sometimes that may mean spending a little more money on the exploratory phase than originally planned, but it's money well spent if the problem/opportunity is brought more clearly into focus and the optimal research problem(s) can then be addressed.

## ETHICAL DILEMMA 5.1

Marketing Research Insights was asked to carry out the data collection and analysis procedures for a study designed by a consumer goods company. After studying the research purpose and design, a consultant for Marketing Research Insights concluded that the design was poorly conceived. First, she thought that the design was more complex than was necessary because some of the data could be obtained through secondary sources, precluding the necessity of much primary data collection. Second, the proposed choice of primary data collection would not produce the kinds of information sought by the company.

Although the consultant advised the company of her opinions, the company insisted on proceeding with the proposed design. Marketing Research Insights's management was reluctant to undertake the study, as it believed that the firm's reputation would be harmed if its name were associated with poor research.

- What decision would you make if you were a consultant for Marketing Research Insights?
- In general, should a researcher advance his or her opinion of a proposed design, or should the researcher remain silent and simply do the work?
- Is it ethical to remain silent in such situations?

**Flexibility** Because so much is often unknown at the beginning of a project, exploratory studies are very flexible with regard to the methods used for gaining insight and developing hypotheses. Basically, anything goes! Exploratory studies rarely use detailed questionnaires or involve probability sampling plans. Instead, researchers frequently use multiple methods, perhaps changing methods as they learn more about the problem. Investigators often follow their intuition in an exploratory study. While exploratory research may be conducted in a variety of ways, literature searches, depth interviews, focus groups, nominal groups, case analyses, and projective methods are among the most common approaches (see Figure 5.2).

## Literature Search

One of the quickest and least costly ways to discover hypotheses is to conduct a literature search. Almost all marketing research projects should start here. There is an incredible amount of information available in libraries, through online sources, in commercial databases, and so on. The literature search may involve conceptual literature, trade literature, or published statistics from research firms or governmental agencies.

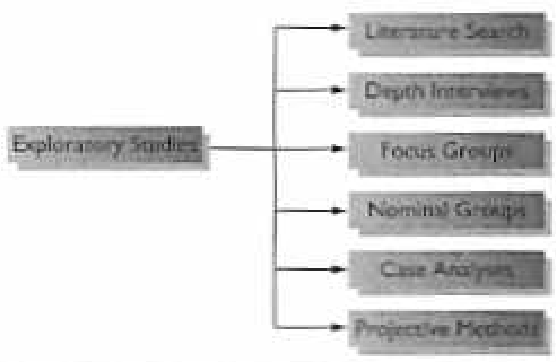
A few years ago, Miller Business Systems, Inc., was able to respond effectively to a competitive threat because of its ongoing effort to review trade literature. Using published industry sources, the company developed profiles of its competitors, which it then kept in its database. The company regularly scanned the database to monitor competitive actions. Based on this information, the company noticed that a competitor had hired nine furniture salespeople in a 10-day period. This was a tip-off to a probable push by the competitor in the office-furniture market. Miller was able to schedule its salespeople to make extra sales calls and hold on to their accounts.[2] As another example, researchers at Silver Dollar City, the theme park located in Branson, Missouri, regularly monitor all sorts of literature for insights into customers, markets, and competitors.

**Learning Objective**

6. Discuss the various types of exploratory research and describe each.

**literature search**
A search of statistics, trade journal articles, other articles, magazines, newspapers, and books for data or insight into the problem at hand.

**FIGURE 5.2** Types of Exploratory Studies



## Manager's Focus

Knowledge about marketing research will be most helpful to you as a manager if you acquire the ability to "connect the dots" between the different concepts presented in this book. At every opportunity ask yourself, "How does this relate to what I've studied so far?" For example, how might literature searches play a role in the development and maintenance of an MIS (marketing information system)? Remember, every effort should be made to obtain marketing intelligence from existing sources (see discussion of secondary data) before any new marketing research studies should be conducted (see discussion of primary data). Literature searches are efficient ways of gathering market intelligence that can be fed into an organization's MIS. Indeed, smaller companies with limited budgets should have personnel who regularly monitor the available literature for relevant market information that can be distributed to decision makers.

Sometimes conceptual literature is more valuable than trade literature. For example, a firm with concerns about customer satisfaction might begin its exploratory research by reviewing academic studies and industry reports on the topic, with an eye toward uncovering factors that have been shown to drive satisfaction. The issue of how to measure customer satisfaction could be researched at the same time.

Suppose a firm's problem was one that typically triggers much marketing research: "Why are sales revenues down?" Initial insights into this problem could easily be obtained by analyzing published data and trade literature. Such an analysis would quickly indicate whether the problem was an industry problem (everyone's sales are down) or a firm problem (other firms' sales have held steady or even increased). The results would then lead to very different kinds of descriptive and/or causal research.

A company's own internal data should be included in the literature examined in exploratory research, as Mosinee Paper Company once found to its pleasant surprise. The company was about to drop one of its products because of its dismal sales performance. First, however, the company took a closer look and found that only one salesperson was selling that specific grade of industrial paper. Upon further investigation, Mosinee discovered how the buyers were using the paper—an application that had been known only to the one salesman and his customers. This information enabled management to educate the rest of its sales force as to the potential market for the paper, and sales rose substantially. This example also highlights the need for knowledge management within organizations.

It is important to remember that in a literature search, as with all other kinds of exploratory research, the major emphasis is on the discovery of ideas and tentative explanations of the phenomenon and not on drawing conclusions. Finding answers and drawing conclusions is better left to descriptive and causal research. Thus, researchers must be alert to the hypotheses that can be derived from available material, both published material and the company's internal records.

### Depth Interviews

**depth interview**
Interviews with people knowledgeable about the general subject being investigated.

Depth interviews (sometimes called "in-depth interviews") attempt to tap the knowledge and experience of those with information relevant to the problem or opportunity at hand. For example, a San Francisco builder focused on architects and designers when trying to get a handle on its competitors. The company asked these people to describe the traits of builders that tended to turn off buyers of expensive homes. Some of the answers included bad manners, workers who tracked dirt across carpets, and beat-up construction trucks parked in homeowners' driveways. Based on this information, the company bought a new truck, had its estimators wear jackets and ties, and made sure its work crews were impeccably polite. In less than two years, the company's annual revenue more than quintupled.

Anyone who has any association with the issue at hand is a potential candidate for a depth interview. This could include current customers, members of the target market, executives and managers of the company, sales representatives, wholesalers, retailers, and so on. It can literally include anyone with insights into the situation. For example, a children's book publisher gained valuable information about a recent sales decline by talking with librarians and schoolteachers. These discussions indicated that more and more people were using library facilities, while book sales were decreasing. The increase in library usage was, in turn, traced to an increase in federal funds, which had enabled libraries to buy more books for their children's collections. Similarly, some years back, Ford Motor Co. designed a medium-duty truck intended for beverage distribution, among other things, after seeking feedback from fleet owners, mechanics, and drivers.[3]

As with other types of exploratory research, depth interviews are quite flexible. Participants are selected based on their likely ability to provide usable information. Certainly, there is no need to attempt a random sample. It is important to include people with differing points of view and opinions.

Sometimes the questions asked are the same across respondents, and sometimes they differ. It is not a good idea to use a formal questionnaire at this point, unless it is short and designed to start or guide the conversation. Instead, because this is exploratory research, the questions should be general, allowing the participants a great deal of leeway in how they answer. As a general rule, respondents should be given freedom in choosing issues to be discussed, although it is the role of the researcher to keep the depth interview in the topic area.

As the name suggests, the point of a depth interview is to encourage the respondent to offer as much information as possible. As a result, sometimes depth interviews can last for an hour or more. Because there is so much information collected, it is often a good idea to have two interviewers, one for asking questions and one for observing and taking notes, perhaps participating from time to time. It is always advisable to have an audio or video recording of the interview. Interviewers must be carefully trained; they perform an important balancing act between keeping the interview on track while allowing the respondent to take the conversation where he or she sees fit. This task isn't easy.

A series of depth interviews can be very expensive. Well-trained interviewers command higher salaries, data are collected from one respondent at a time, and audio/video recordings must be transcribed, coded, and analyzed. This technique, however, can yield important insights and more often than not is well worth the effort.

At first glance, depth interviews seem similar to the personal interview method of collecting descriptive research data. Exhibit 5.1 presents key differences between the two techniques.

**Learning Objective**

7. Identify the key person in a focus group.

## Focus Groups

**focus group**
An interview conducted among a small number of individuals simultaneously; the interview relies more on group discussion than on directed questions to generate data.

**moderator**
The individual that meets with focus group participants and guides the session.

Focus group interviews are among the most often used techniques in marketing research. Some would argue that they are among the most *overused* and *misused* techniques as well, a point we'll return to later. In a **focus group**, a small number of individuals are brought together to talk about some topic of interest to the focus group sponsor. The discussion is directed by a **moderator**. The moderator attempts to follow a rough outline of issues while simultaneously having the comments made by each person considered in group discussion. Participants are thus exposed to the ideas of others and can respond to those ideas with their own.

Group interaction is the key aspect that distinguishes focus group interviews from depth interviews, which are conducted with one respondent at a time. It is also the primary advantage of the focus group over most other exploratory techniques. Because of their interactive nature, ideas sometimes drop "out of the blue" during a focus group discussion. Further, ideas can be developed to their full importance because of the

**Exhibit 5.1** **Depth Interviews versus Personal Interview Surveys**

In-depth interviewing is usually done at the beginning of a major research project, when you will be studying a population that you have never researched before. In-depth interviews—also called "semistructured interview[s]," or "informal interviews"—are very different from survey interviews. They are much more similar to journalistic interviews. Some of the differences between survey interviewing and in-depth interviewing are as follows:

- A survey usually has at least 100 interviews, but with informal research, 20 respondents [are] often enough.
- A survey has a fixed questionnaire. All the respondents are asked the same questions (except those skipped), in the same order. But with in-depth interviewing, there are no specific questions. Instead of beginning with "Which of the following statements . . ." an informal interviewer might say "Can you tell me about a time when you . . ."
- With in-depth interviewing, there is no specific order. The respondent may jump from one subject to another. The interviewer has a list of things to be discovered, but the wording and sequence of the "questions" depend on the "answers" the respondent gives.
- Instead of using a fully random sample, in-depth interviews are usually done with people who are deliberately chosen to be as different as possible from each other.

The reason for these differences between survey interviewing and in-depth interviewing is that their purposes are different. Unlike survey interviewing, in-depth interviewing does not claim to obtain results that can be generalized to a whole population.

**Source:** Excerpted from Dennis List, *Know Your Audience: A Practical Guide to Media Research* (Wellington, New Zealand: Original Books, 2005). Downloaded from the Audience Dialogue Web site, http://www.audiencedialogue.net, August 10, 2006.

snowballing effect: A comment by one individual can trigger a chain of responses from other participants. The presence of other people and the opportunity to listen to their comments often allows individuals to "warm up" to the topic and become willing to express their ideas and expose their feelings. As a result, responses are often more spontaneous and less conventional than they might be in a depth interview.

**Characteristics of Focus Groups** Although focus groups vary in size, most consist of eight to 12 members. Smaller groups are too easily dominated by one or two members; with larger groups, frustration and boredom can set in, as individuals have to wait their turn to respond or get involved.

Respondents are usually selected so that the groups are relatively homogeneous. That is, the goal is to include people who are more or less like one another. This promotes better discussion as people realize that they have things in common with

## Manager's Focus

As a manager, you must think carefully before utilizing focus groups. Focus groups can be helpful in the right circumstances, but there are several alternative exploratory research techniques available, and you should select one or more that best fit the types of questions you are trying to address. In our opinion, focus groups are used far more often than they ought to be. Research firms too often recommend focus groups simply because they specialize in them, not because they are the most appropriate exploratory tool. Relatively few firms have the expertise necessary to competently perform the entire range of exploratory methods. Therefore, when you need exploratory information, you should interview prospective firms by asking them to thoroughly discuss the advantages and disadvantages of alternative exploratory methods as they apply to your current information needs. You should then select the firm that speaks most authoritatively about alternative approaches and presents a compelling case for why a particular technique best fits the questions you are addressing. Under no circumstances should you select a firm or a method simply because it is used frequently by other organizations.

other participants. It also helps prevent individuals from being intimidated by other participants, thus stifling their contribution to the discussion. For example, perceived differences in social status or other socioeconomic factors might discourage some from speaking at all while encouraging others to dominate the discussion. Indeed, keeping everyone involved while allowing none to take over the discussion is one of the key roles of the moderator. Research Window 5.1 offers a humorous true account of what happened in a group discussion when one individual tried to take over a group discussion.

Most firms conducting focus groups use screening interviews to determine the individuals who will compose a particular group. Clients will normally have specific criteria for the kinds of participants they seek. In fact, under normal circumstances, the more specific the criteria, the more useful the results will be. A critical task is to recruit participants who meet the requested criteria. Often, this isn't easy.

One type of individual who recruiters must try to avoid is the "professional" respondent who has participated before—perhaps regularly—in other focus groups. At best, the results will be tainted because professional respondents don't usually meet all of the relevant criteria to be included. At worst, the results can be worthless if the individual acts as an "expert" and dominates the discussion. Such respondents want to participate because the incentives, monetary or otherwise, are often generous.

## research window 5.1

### *Shut Up, Jimmy!*

In the summer of the year 199__, I arrived in the small town of N____ (as a Victorian novelist might begin). This was in western Australia, where I was conducting a series of focus groups. The participants had been organized by a market research company in Perth. All I needed to do was arrive at the right time and get them talking.

I found the venue: a back room in a shabby hotel. A century earlier, it would have been a splendid building, but now it was simply down-at-heel. The evening sun poured in through the west-facing windows, revealing the effect on the woodwork of 100 years of beer drinking. I set up the tape recorder, and the people began to arrive.

"Hello Joe," said the first participant to the second. "Haven't seen you for a long time. What are you doing these days?"

I hadn't counted on this. The town, with a population of 5,000 or so, was small enough that everybody seemed to know everybody else. Normally, focus groups are done in cities, and you can safely assume that nobody knows anybody else. Here, though, most of them knew each other.

In this case, when the group began talking, one man dominated the proceedings. This is not uncommon, and usually a few hints from the moderator (e.g., "Does anybody else have anything to say on this matter?") will dissuade the dominator. But this guy wouldn't stop. He had a bee in his bonnet about something.

To my amazement, he started trying to run the group like a public meeting. "I move that we are dissatisfied with the radio service in N____" he boomed. "All in favor say Aye."

I was about to step in and point out that this wasn't how focus groups work, but another participant—a middle-aged woman—got in before me.

"Would you just shut up, Jimmy?" she snapped. "We've all had enough of your carrying on like this. What will this man think of the people of N____ if you behave in this way?" (By "this man" she meant me.)

After a great uproar of general agreement, Jimmy became silent. He hardly said a word for the next hour or two.

I was amazed. Obviously something had happened in this group (or some of them) in the past, and I was at a disadvantage for not understanding it.

**Source:** Excerpted from Dennis List, "Small-Town Group Discussion," June 17, 2002, downloaded from http://www.audiencedialogue.net, August 10, 2008. Reprinted by permission.

Firms must recognize that the more specific the screening criteria, the greater the incentive for recruiters to use professional respondents. They are often easier to find than people who actually qualify to participate.

As you might expect, many different types of participants have been involved in focus groups. Exhibit 5.2 describes how several different organizations have used focus groups; a wide variety of participants are represented. The important thing, of course, is to recruit from the audience that can offer the exploratory insights that the company is seeking. Harley-Davidson conducted focus groups composed of current owners, those who wanted to own Harleys, and those who currently owned other brands to better understand how people viewed the company's motorcycles (see Research Window 5.2).

Given that the participants in any one group should be reasonably homogeneous, how can a firm be sure that the full range of opinions will be represented? The best way is to hold multiple groups. That way, the characteristics of the participants can vary across groups. Ideas discovered in one group session can be introduced in later group sessions for reaction. A typical project has four groups, but some may have up to 12 or more. The issue is whether the later groups are generating additional insights. When they show diminishing returns, the groups are stopped.

The typical focus group session lasts from one and a half to two hours. Most groups are held at facilities designed especially for them, although they can be held at other places. The typical setup includes a conference room with nice furniture and

**Exhibit 5.2** Examples from the Wide World of Focus Groups

- Aeropostale has become one of the hottest performing clothing chains for teens. Unlike some clothing marketers, the company has no interest in setting clothing trends. Instead, it works diligently to follow clothing trends using a variety of exploratory research techniques, including focus groups with high school students.
- Public officials in Great Britain have been struggling with a sticky problem—how to clean used gum from public sidewalks. In a recent 5-year period, gum sales have escalated over 30% in Great Britain. Much of the cast-off gum, unfortunately, seems to have ended up on the sidewalks of towns and cities. Estimates place the cost of removing the gum at $285 million per year. The Environment and Rural Affairs Department commissioned a series of focus groups to study chewers' attitudes. The results? Everyone interviewed admitted having tossed their gum aside at least occasionally, and the researchers were able to identify a number of different segments of "gum droppers," ranging from an "excuses" segment [who] felt guilty and tried to drop gum discreetly to a "bravado" group who enjoyed openly tossing their gum and then kicking it for good measure.

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- The explosive growth and success of Bratz dolls, from toymaker MGA Entertainment Inc., can be traced in part to the company's exploratory research with young girls. New ideas for products often come from girls who participate in focus groups. Bratz dolls almost single-handedly forced Mattel to redesign its icon Barbie dolls.
- At Yoplait, yogurt moved from cups to tubes. Yoplait's Fizzix also moved from simple yogurt cultures to include carbonation. This was the step taken to make yogurt more palatable to tweens. According to focus group results, tweens seemed to love it, while it was anything but a hit with grown-ups. The focus group results so convinced Yoplait's president that he skipped regional pilot testing for Fizzix and went straight to a national rollout for the product.

**Sources:** "Online Extra: Targeting the Universal American Kid," *BusinessWeek online*, June 7, 2004, downloaded from http://www.businessweek.com, August 10, 2008; Beth Carney, "Britain's Very Sticky Problem," *BusinessWeek online*, March 7, 2005, downloaded from http://www.businessweek.com, August 10, 2008; Christopher Palmeri, "Hair-Pulling in the Dollhouse," *BusinessWeek online*, May 2, 2005, downloaded from http://www.businessweek.com, August 10, 2008; and Matthew Boyle, "Carbonated Yogurt: Sizzle or Fizzle?" *Fortune online*, September 18, 2007, downloaded from http://money.cnn.com/, August 10, 2008.

## research window 5.2

### *Experience of Harley-Davidson with Focus Groups*

After making a remarkable comeback in the 1980s, motorcycle manufacturer Harley-Davidson had buyers on 2-year-long waiting lists all over the country. But that success placed the company in a familiar quandary: Should Harley expand and risk a market downturn, or should it stay the course, content with its good position in the industry?

"To invest or not to invest, that was the question," said Frank Cimermancic, Harley's director of business planning. "Dealers were begging us to build more motorcycles," he said. "But you have to understand our history. One of the things that caused past problems was a lack of quality, and that was the result of a too-rapid expansion. We did not want to relive that situation."

The company's dilemma was complicated by the fact that the market for heavyweight bikes was shrinking. "We were doing fine, but look at the market," Cimermancic said. "Maybe, we thought, we could reverse these trends and become an industry leader, something we hadn't been for a long time."

A new kind of customer seemed to hold the keys to market growth. White-collar motorcycle enthusiasts, or "Rubbies" (rich urban bikers), started to shore up Harley sales in the mid-'80s, adding to the company's success and image. But whether these were reliable, long-term customers was another question.

"Are those folks going to stay with us, or are they going to move on when the next fad comes along?" Cimermancic asked. "If we got the answer right, we could become a force in the industry. If we got it wrong, we would go right back to the early '80's. Nobody wanted to make the wrong decision and watch 20 percent of our employees walk away with their possessions in a cardboard box."

Harley also needed to know if it should market its products differently to different audiences. A core clientele of traditional "bikers" had kept Harley afloat during its leanest years, and they could not be alienated. "We had to understand the customer mindset," Cimermancic said. "Was there a universal appeal to owning a Harley?"

To find out, the company first invited focus groups made up of current owners, would-be owners, and owners of other brands to make cut-and-paste collages that expressed their feelings about Harley-Davidsons. Whether long-time Harley riders or fresh prospects, common themes emerged in the artwork: enjoyment, the great outdoors, freedom.

Harley-Davidson then mailed more than 16,000 surveys "with a typical battery of psychological, sociological, and demographic questions you typically see in studies," Cimermancic said, as well as subjective questions such as "Is Harley typified more by a brown bear or a lion?" The questionnaire got a 30% response rate, with no incentive for return.

From the responses, Harley identified seven core customer types: the Adventure-Loving Traditionalist, the Sensitive Pragmatist, the Stylish Status-Seeker, the Laid-Back Camper, the Classy Capitalist, the Cool-Headed Loner, and the Cocky Misfit. All of them appreciated Harley-Davidson products for the same reasons.

"Independence, freedom, and power were universal Harley appeals," Cimermancic said. "It didn't matter if you were the guy who swept the floor of the factory or if you were the CEO at that factory, the attraction to Harley-Davidson was very similar. We were surprised by a tremendous amount of loyalty across the board."

That loyalty meant the company could build and sell more motorcycles, without having to overextend itself. In 1990, Harley-Davidson built 62,800 bikes; the company plans to ship between 303,500 and 307,500 bikes in 2008.

**Sources:** Ian P. Murphy, "Aided by Research, Harley Goes Whole Hog," *Marketing News* 30, December 2, 1996, pp. 16–17. See also Rick Barrett, "Harley Drops Earnings Forecast," *The Milwaukee Journal Sentinel*, April 13, 2005, downloaded from Newspaper Source database, June 16, 2005; Ted Shelsby, "Harley Sales Go Hog Wild," *The Baltimore Sun*, November 25, 2001, p. 1c; and "Harley-Davidson Announces 2008 Second Quarter Results, July 17, 2008, downloaded from http://investor.harley-davidson.com, August 1, 2008.

fixtures that can comfortably hold the participants. Traditionally, at one end of the conference room will be a 1-way mirror, with space behind the mirror to house audiovisual equipment for recording the focus group interview as well as seating for researchers, clients, and/or advertising agency representatives. One advantage of these facilities is that they can incorporate the latest in technology because of the large number of groups held there. For example, videoconferencing technology can be used to link groups in different locations, allowing participants at the various locations to interact directly with each other.

Advancing technology has also created an explosion in the use of online, Internet-based focus groups. Such "groups," in which multiple respondents can "meet" electronically via chat rooms, instant messaging, Web cameras, and the like, offer tremendous speed and cost benefits, particularly when using an established online panel of respondents. There are other advantages of online focus groups, including the ability to form groups composed of people from far-flung locations, or to deal with sensitive topics. According to Susan Roth, the director of qualitative research at Greenfield Online, "You can do international groups, or groups about subjects of sensitive nature, like HIV or impotence, where being anonymous can be better."[4] Online focus groups can be an effective tool for producing useful exploratory insights.


This focus group is listening attentively to its facilitator and is an example of a more up close and personal session, as opposed to an online session.

Should these approaches be categorized as focus groups, however? Our observations suggest that most should not be. As noted above, the key advantage and distinguishing feature of a focus group is the synergy obtained by having the participants meet together, experience each other's presence, and feed off one another's comments. While electronic interaction is possible, we suspect that the true value of focus group research cannot be duplicated very effectively online except, perhaps, when working with very specific target populations. This method of gathering exploratory data is certainly valid—again, with exploratory research, anything goes—but they are not focus groups in the classic sense.[5]

In general, focus groups are less expensive to conduct than are individual depth interviews, mostly because multiple respondents are handled simultaneously. That's not to say that they are inexpensive, however. By the time an experienced moderator has been hired to conduct the session and write the report, the facility rented, and incentives paid to participants, a focus group has become costly. And that's just one focus group; add a series of focus groups and the costs can really rise.

**The Role of the Moderator** The moderator in the focus group plays the single most important—and most difficult—role in the process. For one thing, the moderator typically translates the study objectives into a guidebook. The **moderator's guidebook** lists the general (and specific) issues to be addressed during the session, placing them in the general order in which the topics should arise. In general, the funnel approach is used, in which the moderator introduces broad general topics or tasks first and then the conversation begins to focus on the key issues under study.

**moderator's guidebook**
An ordered list of the general (and specific) issues to be addressed during a focus group; the issues normally should move from general to specific.

To develop the guidebook and conduct a focus group effectively, the moderator needs to understand the background of the problem and the most important information the client hopes to obtain from the research process. The moderator also needs to understand the overall plan for the use of focus groups: how many will be held, how many participants will be in each, what kinds of people will be involved, and how the sessions might be structured to build on one another.

## Manager's Focus

We have emphasized throughout this chapter that managers must be very careful not to misuse exploratory research findings. The findings from focus group interviews are among those most frequently misused by managers, even by managers who should know better. We once observed the president of an advertising and marketing research consulting firm announce that his company was launching a new service because "the focus group findings were all positive." Focus groups, when used properly, are uniquely capable of capitalizing on group dynamics to generate new ideas or insights that would not emerge if respondents were interviewed separately and could not help build on other people's ideas. It is important for you to always remember that these ideas and insights can be very useful in helping you create new marketing strategies. But exploratory techniques should not be used to make final decisions about implementing a particular marketing strategy. You need other kinds of research (descriptive or causal) to make decisions, especially decisions like this that are central to the company's future success.

The moderator must lead the discussion so that all objectives of the study are met and that interaction among the group members is stimulated. The focus group session cannot be allowed to dissolve into a series of individual depth interviews in which the participants each take turns responding to a predetermined set of questions. As a result, the moderator's role is extremely delicate. It requires someone who is intimately familiar with the purpose and objectives of the research and at the same time possesses good interpersonal communication skills. One important measure of a focus group's success is whether the participants talk to each other, rather than the moderator. Some of the key qualifications moderators must have are described in Exhibit 5.3.

**Learning Objective**

8. Discuss two major pitfalls to avoid with focus groups (or any other form of exploratory research).

**The Dark Side of Focus Groups** Despite their benefits, focus groups have two major weaknesses. Actually, these weaknesses have little to do with focus groups as a technique. Instead, they arise from how they are used. The first great weakness has to do with how the results of a focus group session are interpreted. When managers—or researchers, for that matter—bring preconceived ideas about what they want or expect to see, it's no surprise when they find evidence in one or more of the group discussions that supports their position. Because executives have the ability to observe the discussions through 1-way mirrors or to review recordings of the sessions, focus groups are more susceptible to executive and researcher biases than most other exploratory techniques. These biases may not be intentional, but they can still be harmful. And many managers find it too easy to use focus group data to intentionally support their positions. As one observer put it, "The primary function of focus groups is often to validate the sellers' own beliefs about their product."[6] Research Window 5.3, on page 92, offers an example of what can happen when a company loses its sense of caution and objectivity about focus group results.

A few years ago, the president of a sizable chain of restaurants based in the southwestern United States gave a presentation about his company's marketing efforts. He discussed how focus groups had been used to test an upcoming advertising campaign. In fact, he had observed at least one of the focus groups and could recall the words of one particular focus group participant, which coincidentally expressed his own feelings about the campaign very well. When the president of an organization can remember the words of a single participant in a single focus group, watch out. The exploratory research is about to be used in ways in which it was never intended, nor is well suited.

Here is our second big concern about how focus groups are being used: Many companies and the researchers advising them seem to believe that almost any need

**Exhibit 5.3** Seven Characteristics of Good Focus Group Moderators

**Superior Listening Ability** It is essential that the moderator be able to listen to what the participants are saying. A moderator must not miss the participants' comments because of lack of attention or misunderstanding. The effective moderator knows how to paraphrase, to restate the comments of a participant when necessary, to ensure that the content of the comments is clear.

**Excellent Short-Term Auditory Memory** The moderator must be able to remember comments that participants make early in a group, then correlate them with comments made later by the same or other participants. A participant might say that she rarely watches her weight, for example, [and] then later indicate that she always drinks diet soft drinks. The moderator should remember the first comment and be able to relate it to the later one so that the reason for her diet soft drink consumption is clarified.

**Well Organized** The best moderators see things in logical sequence from general to specific and keep similar topics organized together. A good moderator guide should be constructed logically, as should the final report. An effective moderator can keep track of all the details associated with managing the focus group process, so that nothing "falls through the cracks" that impacts negatively on the overall quality of the groups.

**A Quick Learner** Moderators become intimately involved in a large number of different subject areas—and for only a very short time in each. An effective moderator is able to learn enough about a subject quickly in order to develop an effective moderator guide and conduct successful group sessions. Moderators normally have only a short period of time to study subject areas about which they will be conducting groups. Therefore, the most effective moderators can identify the key points in any topic area [and] then focus on them, so that they know enough to listen and/or probe for the nuances that make the difference between an extremely informative and an average group discussion.

**High Energy Level** Focus groups can be very boring, both for the participants and for the client observers. When the tenor of a group gets very laid back and lifeless, it dramatically lowers the quality of the information that the participants generate. The best moderators find a way to inject energy and enthusiasm into the group so that both the participants and the observers are energized throughout the session. This ability tends to be most important during late evening groups, when observers and participants are frequently tired because of the late hour, and can become listless if they are not motivated to keep their energy and interest levels high. The moderator must be able to keep his or her own energy level high so that the discussion can continue to be very productive to the end.

**Personable** The most effective moderators are people who can develop an instant rapport with participants, so that the people become actively involved in the discussion in order to please the moderator. Participants who don't establish rapport with the moderator are much less likely to "open up" during the discussion, and the output from the group is not as good.

**Well-Above-Average Intelligence** This is a vital characteristic of the effective moderator, because no one can plan for every contingency that may occur in a focus group session. The moderator must be able to think on his or her feet; process the information that the group is generating [and] then determine what line of questioning will most effectively generate further information needed to achieve the research objectives.

**Source:** Thomas L. Greenbaum, *The Handbook for Focus Group Research*, 2nd ed. (Thousand Oaks, Calif.: Sage Publications, 1998), pp. 77–78.

for information can be answered by conducting a series of focus groups. Focus groups are only one type of exploratory research, yet for whatever reason they have grown in popularity to the point where they are just about the only kind of research—exploratory or otherwise—that some companies will use. Managers (and researchers, too, unfortunately) tend to forget that the discussion—and consequently, the results—are greatly influenced by the moderator, the screening criteria, and the particular people who end up participating in the group. Focus group results are not representative of what would be true for the general population and are not projectable. Like other forms of exploratory research, focus groups are better for generating ideas and insights than for systematically examining them. They are not designed to provide final answers, yet they are often used for that very purpose.

Why is focus group research so popular? Well, when used appropriately, it can be very effective, and this accounts in part for its popularity. We believe, however, that focus groups often get a bigger share of the research budget than they probably deserve simply because managers can be involved in the process. They are more comfortable supporting an activity in which they can participate and observe, plus, conducting focus groups has simply become the "norm" over the years. If everyone else is doing them, focus groups become the safe option for researchers to recommend, regardless of whether or not they are actually the best option in a given situation. As one critic bluntly stated, "Focus groups are the crack cocaine of market research. You get hooked on them and you're afraid to make a move without them."[7]

## research window 5.3

### *What Women Want*

Focus groups failed a company targeting products to teenage girls. MIT professor, Justine Cassell, author of a thought-provoking piece entitled "What Women Want" reports her experience working with the company. Following a series of focus groups the company concluded that what teenage girls wanted was technologically enhanced nail polish. This was a happy coincidence as technologically enhanced nail polish was precisely what the company produced! However, in Cassell's own research with 3,062 children (60% of whom were girls) in 139 countries, in which the children were invited to describe what they would like to use technology for, not a single one of them said technologically enhanced nail polish!

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**Source:** Excerpted from Philip Hodgson, "Focus Groups: Is Consumer Research Losing Its Focus?" *Userfocus*, June 1, 2004, downloaded from http://www.userfocus.co.uk, August 10, 2008.

## Manager's Focus

Managers commonly attend focus group sessions and observe with varying degrees of attention from behind 1-way mirrors. Researchers sometimes joke about how managers sit distractedly in the back room eating gourmet food, while the focus group participants talk and eat cheap snacks. The managers may be served gourmet food because research firms have a vested interest in pleasing their clients. Unfortunately, this desire to please the client can carry over into how a focus group is conducted. One way this can occur is when managers send new questions in to the moderator during the focus group session. Sometimes these questions prompt a fruitful discussion; other times they merely redirect the conversation in the way the manager wants it to go. This can be detrimental to the objectivity and usefulness of the findings.

Many managers have a predisposition toward seeking research findings that confirm what they already believe to be true. The essence of sound exploratory research is to generate ideas that have never occurred to managers. When you are a manager, attending a focus group session could be a very thought-provoking experience for you. However, for it to stimulate your thinking the way it should, you need to make an effort to avoid doing anything during the session that will influence either the moderator or the participants toward your preconceived ideas. Similarly, you may learn a great deal by "listening in on" depth interviews as they take place, but again, for the best results to emerge, you must guard against biasing the process in any way. If you have any doubt about your ability to do this, or if you have any reason to believe your presence will influence the interviewer, it is in your own best interest (and your company's) to stay away and allow the professional interviewers to gather objective information on your behalf.

## Nominal Groups

**nominal group**
A group interview technique which initially limits respondent interaction to a minimum while attempting to maximize input from individual group members.

Nominal group interviews are similar in characteristics to focus group interviews. Each enlists eight to 12 people to participate, is directed by a moderator, and focuses on group interaction. The primary difference is that nominal groups require written responses by participants before open group discussion. It was noted earlier that smaller groups can be too easily dominated by one or two members or that larger groups can lead to frustration or boredom as individuals wait to respond or get involved. Nominal groups hope to ensure that these issues are avoided, regardless of group size, by asking people to think and write before speaking. Here's how a nominal group interview works.

First, the moderator proposes the question or topic for discussion. Once it is clear that all participants fully understand the issue, participants are invited to think about and then record their thoughts on paper. Second, the moderator asks respondents one by one to reveal their written responses. Often, the moderator will write the individual responses for all group members to see. Individuals are encouraged to record new ideas stimulated by the sharing from others. At the same time, verbal discussion between group members is discouraged until after all participants have had a chance to reveal their ideas. Next, the complete set of individual responses is reviewed by the group and the moderator. Discussions center around clarification of existing thoughts and elimination of duplication. Finally, group members are asked to prioritize the group's ideas. The ideas with the highest priority, as agreed upon by the group, are now the focus of the group discussion.

Nominal groups limit respondent interaction initially in an effort to maximize individual input. Like focus groups, it is a terrific technique for generating new ideas. In fact, nominal groups can produce more, and more varied, ideas than focus groups due to their concentration on individual participation. It also minimizes any potential concerns of "group think," domination by a few individuals, or the lack of involvement by respondents who are generally more quiet or shy.[8]

## Case Analyses

**case analysis**
Intensive study of selected examples of the phenomenon of interest.

Case analysis involves the study of selected examples or cases of the phenomenon about which insights are needed. Researchers may examine existing records, observe the phenomenon as it occurs, conduct unstructured interviews, or use any one of a variety of other approaches to analyze what is happening in a given situation. The focus may be on entities (individual people, households, or other institutions) or groups of entities (sales representatives or distributors in various regions).

For example, when asked how Aeropostale selects the clothes it wants to carry in its stores, CEO Julian Geiger had this to say: "We don't look at what's on the selling floor of our competitors. We look at what's on the backs of our customers. Our design group goes all over. Sure, everybody goes to London and Paris and Barcelona. But we go to Great Adventure and concerts, spring break, train stations, and airports to see what the real kids are wearing. We feel we're targeting the real, universal American kid, who comes to the mall with $40 in their pocket."[9]


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In case analysis, researchers can observe a phenomenon as it occurs, such as teens shopping.

Case analyses can be performed in lots of different ways, but there are a couple of general things to keep in mind.[10] First, it is important to record all relevant data, not just data that support any initial hypotheses that researchers or managers have already formed. Second, the success of the case analysis approach depends upon the researcher's ability to interpret the diverse mass of information that is collected across cases. The researcher must be able to sort through the data and see the "big picture," or insights that apply across multiple cases, not just details that apply only to individual cases. Finally, as with all other forms of exploratory research, the goal is to gain insights, not to test explanations.

Consider a study aimed at improving the productivity of the sales force of a particular company. The researcher chose to carefully study several of the company's best salespeople and to compare them to several of the worst. Although their backgrounds and degree of experience were similar, observing the salespeople in the field suggested an important difference between the high and low performers. The best salespeople were checking the stock of retailers and pointing out items on which they were low; the low performers were not taking the time to do this. Placing the researcher in the field with the salespeople allowed an insight that might not have been uncovered otherwise.

Case analyses seem to be especially effective for generating insights when the cases chosen reflect recent changes in behavior. For example, the way a market adjusts to the entrance of a new competitor can reveal a great deal about the structure of the industry. Similarly, a company can probably learn more from a long-time customer that has defected to a competitor than it can from a long-time customer that stays with the company.

Cases that reflect extremes of behavior are also good candidates for study. The company noted above that compared the best and worst performing salespeople offers an example. To determine the factors responsible for the differences in unit sales across a company's sales territories, a researcher will probably learn more by comparing the best and worst territories than by looking at all territories.

## ETHICAL DILEMMA 5.2

Prompted by an increasing incidence of homes for sale by owner, the president of a local real estate company asks you to undertake exploratory research to ascertain what kind of image realtors enjoy in the community. Unbeknownst to your current client, you undertook a similar research study for a competitor two years ago and, based on your findings, have formed specific hypotheses about why some homeowners are reluctant to sell their houses through realtors.

- Is it ethical to give information obtained while working for one client to another client who is a competitor? What should you definitely not tell your current client about the earlier project?
- Is it ethical to undertake a research project when you think that you already know what the findings will be? Can you generalize findings from two years ago to today?
- Should you help this company define its problem, and if so, how?

**benchmarking**
Using organizations that excel at some function as sources of ideas for improvement.

**Benchmarking** A frequently used example of using case analysis to develop insights is benchmarking. **Benchmarking** involves identifying one or more organizations that excel at carrying out some function and using their practices as a source of ideas for improvement. For example, L.L.Bean is noted for its excellent order fulfillment. Even during the busy Christmas season, the company typically fills over 99% of its orders correctly. Therefore, other organizations have sought to improve their own order fulfillment by benchmarking L.L.Bean.

Organizations carry out benchmarking through activities such as reading about other organizations, visiting or calling them, and taking apart competing products to see how they are made. The process of benchmarking varies according to the information needs of the organization and the resources available.

Xerox is widely credited with the first benchmarking project in the United States. In 1979, Xerox studied Japanese competitors to learn how they could sell mid-size copiers for less than what it cost Xerox to make them. Today, many companies including AT&T, Eastman Kodak, and Motorola use benchmarking as a standard research tool.

**ethnography**
The detailed observation of consumers during their ordinary daily lives using direct observations, interviews, and video and audio recordings.

**Ethnography** An increasingly popular form of case analysis is **ethnography**. These procedures, which have been adapted from anthropology, involve the detached and prolonged observation of consumers' emotional responses, cognitions, and behaviors during their ordinary daily lives. Unlike anthropologists, however, who might live in the group being studied for months or years, ethnographers use a combination of direct observations, interviews, and video and audio recordings to make their observations more quickly. Research Window 5.4 provides more insights into the philosophy behind and methods used in ethnographic research.

## research window 5.4

### *Underlying Philosophy and Methods Used in Ethnographic Research*

Imagine being a fly on the wall at your consumers' homes: You would know exactly what products the consumer was using, when, and how. No more guessing about what a consumer wants.

That's why more and more companies are using ethnographic research as a tool to better understand how products fit into the context of consumers' lifestyles and, in turn, provide a basis for generating innovative new-product concepts. Ethnography allows one to observe consumer behavior where the person uses the product, whether it is in the home, on the go, at school, or in the office.

Ethnography is an anthropologic view of the marketplace. It deals with the scientific description of contemporary cultures. It uses anthropology to understand what the consumer needs but cannot adequately articulate. It records insights into the consumer experience with the product.

With ethnography, a consumer is viewed using products in his or her natural environment. For example, an ethnographer with a video camera becomes an observer at a consumer's home, perhaps "viewing" the inside of kitchen cabinets or the freezer compartment to get an accurate assessment of storage products' uses.

It should be obvious that this procedure shifts the focus to what consumers actually do, versus what they say they do. It draws hypotheses from the activities or behavior of the consumer rather than from their expressed attitudes. By closely observing and evaluating these patterns of behavior, we are able to draw conclusions for potential new-product ideas.

Perhaps the greatest benefit of such an ethnographic approach is the marketers' ability to view the consumer actually using the product, taking the concept of a "taste test" to a whole new realm. Rather than having a consumer test a product and provide feedback, consumers are using the product where and when they are most comfortable.

This exactness of ethnography is appealing. Consumers can't alter their response to a question about a product if they are being videotaped.

Among the most important approaches to ethnography are (1) in-home observation of consumers, (2) having consumers photograph usage occasions or environments, and (3) in-field observation of consumers.

In-home observation is most desired when the product's use is home related. An interviewer and videographer might enter the respondent's home and ask specific questions under the watchful eye of the camera.

The second method involves having a consumer videotape or photograph the product in the home. For storage containers, for instance, the consumer might take pictures or videotape her cabinets, freezer, refrigerator, pantry, or any other place storage containers are used, providing a comprehensive photographic record of the product in use.

In the third method, in-field observation, a videographer, interviewer, and anthropologist go out to the field—a supermarket, picnic area, or daycare facility—to view the intended product.

While skeptics feel the presence of a camera hinders respondents from behaving naturally, there are ways to structure the observation so that it seems as though the camera isn't even there.

There are many other methods to obtain a record of consumers' attitudes and behaviors. One involves having consumers take photographs of products throughout their homes. These allow consumers to express in a visual way the impact of products on specific parts of their lives. These photographs then are brought to an "ideation" session for generating new-product ideas.

In another method, consumers keep diaries of their responses to products, how they use certain products, when, and where. The diary is kept for a specified time and is used as a written recording of consumers' interaction with products.

**Source:** Adapted from Marvin Matises, "Send Ethnographers into New-SKU Jungle," *Brandweek* 41, September 25, 2000, pp. 32–33.

Like other methods of case analysis, ethnography is useful as an exploratory research tool because it can allow insights based on real behavior, rather than on what people say. For example, an academic researcher conducted a 16-month ethnography of households and the brands in their kitchen pantries. She used interviews and observation, as well as projective techniques such as sentence completion and a drawing task (see next section), to gain an understanding of the perception of brands in consumer households.

## Manager's Focus

"Best practices" studies have become popular methods by which businesses benchmark against highly successful companies. While they can provide valuable results, it is also possible for managers to misunderstand the underlying reasons for successful performance when they analyze only the highest performing organizations. As a manager, you are probably more likely to pinpoint the underlying drivers of relative success and failure in an industry if you compare and contrast organizations representing the whole spectrum of market performance.

One family that she studied (a couple in their forties and their 14-year-old son) clearly demonstrated the insights that can be generated through ethnography. The family's kitchen has an old-fashioned "general store" look and they prefer that their groceries simply blend into the background. In fact, they often remove products from their original packaging and place them in more discreet containers. They also place the more flashy brands that the son purchases out of general view. When asked about the importance they place on food brands, the couple made comments such as, "I really don't pay attention to brands," "We aren't brand loyal," and "I don't have any real preferences for brands." Based on these answers, a marketer conducting traditional research may have expected this family to be completely unaffected by brand names and packaging.

Observation of the family, however, made it evident that they bought many of the same brands over and over again. In particular, the family bought the Dominick's store brand for many of its food choices. The couple describes this brand as "not flashy," "discreet," and "subtle." While consciously attempting to avoid nearly all things related to branding, the couple was unknowingly becoming very loyal to a brand that they valued for its ability to simply blend in, evidence that consumers' expressed beliefs do not always indicate their purchasing behaviors.[11]

Some companies and researchers, seeking the benefits of ethnography without the tremendous time and monetary costs, practice a sort of "light" version of the technique, spending as little as a day or a few hours on site with research participants. The Ford Motor Company has been developing a gasoline–electric hybrid sport utility vehicle for some time. Researchers began by holding focus groups with the two segments of consumers, environmentally conscious consumers and technology fans, whom they thought would be most receptive to the vehicle. Next, they selected a handful of consumers who agreed to let Ford marketers spend a day of "ethnographic immersion" with them in their homes. Ford was surprised to learn that the fans of the new hybrid SUV tended to be very mainstream; they were not hardcore environmentalists.[12]

Despite the current popularity of ethnography and other forms of case analysis, we need to offer some words of caution about their (mis)use. As with other forms of exploratory research, the usefulness of the technique for generating insights depends on the quality and objectivity of the analysis. Interpreting the rich, qualitative data produced by these techniques is very difficult to do. Remaining objective about the results (that is, not allowing preconceived ideas and expectations to influence the interpretation) may be even harder to do. And here's another point that you've heard before: Exploratory methods should be used to generate insights and hypotheses. They are not useful for discerning final answers and making decisions, although some researchers attempt to use them for that purpose. Research Window 5.5 presents a cautionary note from an executive with the J. Walter Thompson advertising agency.

## research window 5.5

### *The Case Against Ethnography*

At its worst, ethnography could become the reality TV of marketing information—entertaining, easy, and quick, but superficial. I am always interested in original approaches to analyzing problems, but my concern about ethnography in a commercial context is that it will not lead to original explanation, but to microscopic reflections of the everyday.

It is neither as long term nor as rigorous as academic study, and risks becoming an excuse for unedited reportage masquerading as "important" information.

Ever since we sold our souls to the god of insights—an all-powerful, but unforgiving and often unknowable master—there seems to be a desire for more observations and examples of customer behavior, which can be reported back as insightful.

It is the actions of people that are the "insights." It is not the way we interpret them, how we might apply them to the problem, or what they signify, but literally the behavior itself.

Ethnography can be an additional input, but it is no replacement for thoughtful and intelligent analysis. At worst, ethnography is the enemy of good analysis. But, as in every other field, it depends more on the quality of the person in charge of the project than the technique itself.

**Source:** Excerpted from Marco Rimini, Executive Planning Director, J. Walter Thompson, as quoted in Louella Miles, "Living Their Lives," *Marketing*, December 11, 2003, p. 27, downloaded via ProQuest, June 29, 2004.

## Projective Methods

Sometimes individuals have difficulty expressing their true feelings, beliefs, and behaviors. Consumers won't describe many of their motives and reasons for choice because a truthful description would be damaging to their egos. This is especially the case when there is pressure, real or imagined, to think, feel, or behave in certain ways. Other motives they cannot describe, either because they do not have the words to make their meaning clear or because their motives exist below the level of awareness. Yet marketers need to understand what motivates consumers and how they really feel about phenomena in order to create truly satisfactory exchanges with their customers (see Research Window 5.6). Asking direct questions, however, can sometimes produce answers that are either useless or misleading.

Researchers have tried to overcome subjects' reluctance to discuss their feelings and/or to provide truthful answers through the use of **projective methods**. Projective methods encourage respondents to reveal their own feelings, thoughts, and behaviors by shifting the focus away from the individual through the use of indirect tasks. The basic assumption with projective methods is that an individual's reaction to an ambiguous stimulus is an indicator of the person's basic perceptions of the phenomenon. For example, giving a high school student a picture of a young man seated in a classroom and then asking the student what the young man is doing or thinking encourages the student to project his or her needs, motives, and values. With projective methods, the respondent chooses his or her own interpretation, description, and evaluation of the ambiguous stimulus.

**projective methods**
Methods that encourage respondents to reveal their own feelings, thoughts, and behaviors by shifting the focus away from the individual through the use of indirect tasks.

In general terms, then, a projective technique involves the use of a vague stimulus that an individual is asked to describe, expand upon, or build a structure around. Many different approaches have been used, ranging from asking people to describe what a brand would be like if it came to life to asking respondents to draw or select pictures of the kinds of people who would use certain products. Among the most common techniques are word association, sentence completion, storytelling, and role playing.

# research window 5.6

## *The Secret Life of Brands: The Hidden Motivations for the Things We Buy*

There's more at play in purchases than meets the eye, and you can't position your brand if you don't understand its secret life. And to do that, you need to be able to answer this question: What do people buy when they buy your brand?

If people bought brands solely on the basis of quality, price convenience, service, and other rational attributes, the lives of marketers would be much simpler. But purely rational appeals are not sufficient in a competitive marketplace. In understanding the secret lives of brands, one not only needs to know the rational and tangible elements of human purchasing behavior and the emotional and intangible elements—but also the unconscious motivations as well.

Let's take insurance for example. Our work has shown that at the tangible level, consumers are buying mitigation of risk, replacement of objects, preservation of wealth, etc. At the intangible level, they are buying security, control, "I am taking care of my family" and, "It is what my father would do." But at the unconscious level, they are buying something bigger—a higher power to protect them from things they can't defend themselves against; they are buying a sort of magic.

How does understanding these unconscious programs help in a marketing context?

A major U.S. brokerage firm asked us to help it create a stronger relationship between the company and its clients. It wished to create stronger loyalty to its own brand and differentiate itself from competitors. It also hoped to reduce the client attribution that invariably occurs when an individual broker moves to another firm.

We demonstrated that many investment decisions were driven by feelings of fear about the future and related feelings of helplessness. There were already many rational techniques in place for addressing these fears—diversification, asset allocation, investment strategies, technology, electronic communication, etc. However, the relationship with the broker was the only way that the strong emotional needs of the clients could be addressed. Weakening the relationship with the broker in an attempt to strengthen the client's relationship and loyalty to the company brand would have only served to increase client attrition. So we designed a unique model of broker/client relationship that was subsequently successfully piloted.

If you believe that consumers are buying your product because of good, solid, rational reasons, you are missing the most important aspect of their motivation. In order to understand consumer motivations, you have to understand the hidden, unconscious meanings of your brand or product. When these motivations are uncovered, you can connect with your customers at a deep emotional level that goes way beyond how they feel when they use your brand. When you understand what people are actually buying, then you can sell.

**Source:** Excerpted and adapted from Thelma Beam and Hugh Oddie, "The Hidden Motivations for the Things We Buy," *Strategy Magazine*, April 19, 2004, downloaded from http://www.strategymag.com, August 1, 2008.

**word association**
A projective method in which respondents are asked to respond to a list of words with the first word that comes to mind.

**Word Association** With word association, subjects respond to a list of words with the first word that comes to mind. The test words are intermixed with neutral words to conceal the purpose of the study. Suppose that a research team is doing a study on people's feelings about ecology and pollution. Some of the key words that might be used for a word association task could include *traffic*, *lakes*, *smokestacks*, and *city*, mixed in with words such as *margarine*, *blue jeans*, and *government*.

Responses to each of the key terms are recorded word for word and later analyzed for their meaning. The responses are usually judged in three ways: by the frequency with which any word is given as a response, by the average amount of time that elapses before a response is given, and by the number of respondents who do not respond at all to a test word after a reasonable period of time.

To determine the amount of time that elapses before a response is given to a test word, a stopwatch may be used or the interviewer may count silently while waiting for a reply. Respondents who hesitate (which is usually defined as taking longer than three seconds to reply) are judged to be sufficiently emotionally involved in the word so as to provide not their immediate reaction but rather what they consider to be an acceptable response. If they do not respond at all, their emotional involvement is judged to be so high as to block a response. An individual's pattern of responses, along with the details of the response to each question, are then used to assess the person's attitudes or feelings on the subject.

**Sentence Completion** Sentence completion requires that the respondent complete a number of sentences with the first thoughts that come to mind. The responses are recorded word for word and are later analyzed.

**sentence completion**
A projective method in which respondents are directed to complete a number of sentences with the first words that come to mind.

While the analysis of qualitative responses is subjective, sometimes the results are clear enough that there would be good agreement in their interpretation as follows:

People who are concerned about ecology *care about the future.*

A person who does not use our lakes for recreation is *being thoughtful about the ecosystem.*

When I think of living in a city, I *can't help but think of the smog over LA.*

Compare those responses to these of another person:

People who are concerned about ecology *are just tree-huggers who want to run up my taxes.*

A person who does not use our lakes for recreation is *a person who doesn't enjoy water sports.*

When I think of living in a city, I *think about cruising my car downtown on Saturday night!*

Presumably, these two respondents could easily be characterized as belonging to segments of consumers who are more and less ecologically concerned.

One advantage of sentence completion over word association is that respondents can be provided with a more directed stimulus. There should be just enough direction to evoke some association with the concept of interest. The researcher needs to be careful not to convey the purpose of the study or provoke the "socially acceptable" response. Obviously, skill is needed to develop a good sentence-completion or word-association test.

**Storytelling** The storytelling approach often relies on pictorial material such as cartoons, photographs, or drawings. Basically, respondents are asked to tell stories about the pictures. The pictures can be of anything that might somehow lead to relevant insights about the problem/opportunity at hand. The way an individual responds to the pictures or drawings helps researchers interpret that individual's values, beliefs, attitudes, and personality.[11]

**storytelling**
A projective method of data collection relying on a picture stimulus such as a cartoon, photograph, or drawing, about which the subject is asked to tell a story.

With respect to the pollution example, the stimulus might be a picture of a city, and the respondent might be asked to describe what it would be like to live there. The analysis of the individual's response would then focus on the emphasis given to pollution in its various forms. If no mention were made of traffic congestion, dirty air, noise, and so on, the person would be classified as displaying little concern for pollution and its control.

**Role Playing** The role playing technique is similar in many ways to storytelling. With role playing, however, the researcher will introduce a scenario or context and ask respondents to play the role of a person in the scenario. The researcher might ask how "people you know" or "the average person" or "people like you" or even how the respondents themselves would react in the situation. As with other projective methods, the goal is to get a glimpse into respondents' own feelings, beliefs, actions, and so on, by shifting the focus away from them and onto the task itself.

**role playing**
A projective method in which a researcher will introduce a scenario or context and ask respondents to play the role of a person in the scenario.

Suppose, for example, that the pollution researchers wanted exploratory feedback on city residents' likely reactions to a number of pollution control efforts being considered by local officials. Rather than ask residents direct questions about whether or not they are in favor of—or would abide by—new regulations about carpooling or time of day restrictions on lawn mowing, the researchers might instead use a scenario in which the regulations were being introduced in another city. They could then ask the research participants how a resident of that city is likely to feel and respond to the regulations. In the process of describing the anger, feelings of being hassled, frustration, willingness to obey the law, or positive feelings of being able to "do my part" likely to be felt by residents of the other city, the respondents will reveal a great deal about their own feelings.

The usual concerns about the difficulty of data analysis and interpretation apply to projective methods, just as they apply to other forms of exploratory research. And, as always, researchers must keep in mind that no form of exploratory research, including projective methods, is designed to get final answers or make decisions.

## SUMMARY

### *Learning Objective* 1

**Explain what a research design is.**
A research design is the framework or plan for a study and guides the collection and analysis of data.

### *Learning Objective* 2

**List the three basic types of research design.**
One basic way of classifying designs is in terms of the fundamental objective of the research: exploratory, descriptive, or causal.

### *Learning Objective* 3

**Describe the major emphasis of each type of research design.**
The major emphasis in exploratory research is on the discovery of ideas and insights. Descriptive research is typically concerned with determining the frequency with which something occurs or the relationship between variables. A causal research design is concerned with determining cause-and-effect relationships.

### *Learning Objective* 4

**Describe the basic uses of exploratory research.**
Exploratory research is useful for helping formulate the manager's decision problem, developing hypotheses, gaining familiarity with a phenomenon, and/or clarifying concepts. In general, exploratory research is appropriate for any problem about which little is known. The output from exploratory research is ideas and insights, not answers.

### *Learning Objective* 5

**Specify the key characteristics of exploratory research.**
Exploratory studies are typically small scale and are very flexible; anything goes.

### *Learning Objective* 6

**Discuss the various types of exploratory research and describe each.**
Common types of exploratory research include literature searches, depth interviews, focus groups, nominal groups, case analyses, and projective methods. Literature searches involve reviewing conceptual and trade literature, or published statistics. Depth interviews attempt to tap the knowledge and experience of those familiar with the general subject being investigated. Focus groups involve a discussion among a small number of individuals, normally eight to 12, simultaneously. Nominal groups aim to maximize individual input in group discussion settings. With case analyses, researchers study selected cases of the phenomenon under investigation; ethnographic research is a popular example. Finally, projective methods encourage respondents to reveal their own feelings, thoughts, and behaviors by shifting the focus away from the individual through the use of indirect tasks.

### *Learning Objective* 7

**Identify the key person in a focus group.**
The moderator is key to the successful functioning of a focus group. The moderator