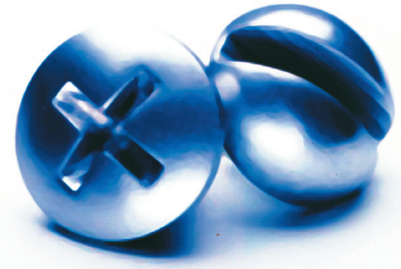


7 Vital Facts you need to know about Market Research



I love market research. It fascinates me, the process of understanding why people behave the way they do.

I can honestly say in over twenty years of research experience, I've never embarked on a research assignment and not learned something new about the audience that has helped deliver a better result. Research can be one of the most defining factors in guiding intelligent decision making. Problem is, there's a lot of unintelligent research that doesn't help decision making, is actually misguided rather than helpful and gives the discipline a bad name. So in this e-book I have tried to outline the vital factors I believe make the difference between a great research outcome and an average one.

You see, I've always found the process of qualitative research a bit like parenthood. There is no manual, there's no university degree that prepares you for it and once you're done with it you have to hand it over to the 'real world' to see how well your output fares. I've just been in the fortunate position over many years to conduct firsthand, and observe in others, a very large number of research groups. As a result, I now believe there are seven key philosophies about research that can help you get the most out of your research project.

01 Ask the right people.

I am often asked the most important factor in getting the best research result, and without a doubt it is audience specification. Strangely, I have witnessed many cases where the people in the research room are not the ones who have the most influence over success or otherwise of the topic being researched.

Why does this happen?

Because marketers are often unclear about who their target audience really is.

■ Is the target the user?

Sounds logical – but for a lunchbox snack for example, Mum as purchaser is much more important than the user (child) as eater. Mum rarely eats lunchbox snacks – but boy, does she have an opinion about what products will get bought and make it in there.

Let's say the research is about a particular company, and how well their organisation is perceived. Is the best target the people who work there? Probably – but should we not also be concerned about those who do not work there? The ability of a company to attract and retain the best people will be reflected in the perceptions of people who have no real experience with the company. This is why marketing is more art than science – because it is focused on people's perceptions of what a brand experience might be like, not the reality. Whether they know the organisation intimately or not, their perception is their reality.

Consider a situation where you are selling a grocery product for example, and want to conduct some research to find out how to sell more. So you decide to research current buyers. Within the current buyer sphere there will be people who buy a lot (generally referred to as 'heavy users') and those who don't buy all that much ('light users'). Often, the temptation is to research the light users, in an attempt to determine what you could do to persuade them to buy a whole lot more.

However, I would say caution needs to be exercised here – after all, what percentage of your sales are made up of each of these buyers? Chances are, even if you managed to triple the volume a light user is currently buying, they are forever going to remain a very small percentage of your total base. A medium or heavy user may be buying regularly, but that regularity may amount to only six packs a year for example. So they're in the habit of buying, they like the product, and there may be plenty of room for increased weight of purchase. Persuading a heavy buyer to buy even one more packet in addition to what they're currently buying would make a much bigger difference to the final volume outcome. So this could well be a more fruitful growth strategy to pursue.

The specification of who you recruit for your research is absolutely critical in delivering the optimal research outcome.

Ask the right people the right questions.

Once you have the right people in the room, the next success factor is asking those people the right questions. That seems pretty easy, hey?

The thing is, people are not honest. They don't deliberately tell lies in a research environment, the same way they don't deliberately tell their best friend that the new outfit she just spent a considerable amount on makes her bottom look fat. The reality is that often people give you the response they think you (or others) want to hear. For example, I spent years researching the breakfast cereal category, at a time when Coco Pops was one of the top five selling brands. And do you think I could ever find a mother willing to own up that she happily bought Coco Pops for her children? Someone must have been buying it – but funny, they never seemed to make it into my groups. More on that later!

There are two aspects here – first, make sure you have a researcher who understands that you are seeking to understand the attitudes that drive behaviour, not just take at face value what respondents say. There is a very big difference between an observation (what someone says in a group) and insight (an understanding of the attitudes that determine why people say what they say). It is very dangerous to confuse the two, and take what people say in a research group as truth.

Secondly, make sure the researcher asks the right questions that give participants a chance to disclose those attitudes. Generally the way to achieve this is to explore the context of people's behaviour in a manner far broader than the specific research question you may have to start with.

For example, a few years back I was asked to conduct some research for a major women's magazine in order to determine how to increase their circulation. One of the questions they wanted answered related to a competition they had recently run offering \$100,000 to a lucky reader. All the reader had to do was write down in 25 words or less what their major achievement of the week was, send it in and go into the draw to win the \$100,000. They had run plenty of these types of competitions in the past and had voluminous entries – thus making the result for this competition even more surprising with less than 200 entries received. For a magazine circulating over 700,000 copies, less than 200 is a pretty poor response rate! They wondered why.

When the research group began, it would have been a totally unhelpful first question to leap straight in and say right, who saw this competition (all of them, because we'd specified the correct target audience) – and why didn't you enter it?

I suspect if we had taken that approach the response would have been that they were too busy to enter competitions. And maybe for some people that is true. Instead, we talked about their lives, what was worrying them, what leisure time they had, how they spent it, and what busy mums did for 'me time'. It became apparent very quickly that these women (heavy users of women's magazines) were finding life pretty tough, and the magazine formed a luxurious piece of escapism from the daily grind. It also emerged that the children of these women were the absolute focal point of family life, and these mums gave up a lot financially and emotionally to maintain that family focus.

When we finally got around to talking about the competition, I still didn't ask outright why they didn't enter – rather, I asked what sort of competition they would enter. And to a tee, they would have entered a competition to win \$100,000 to describe their child's major achievement of the week.

There it was then. The essence of a conversation that revealed these Mums wouldn't enter a competition talking about their major achievement because sadly enough, they didn't feel like they had a major achievement each week.

Ask them what their kids achieved that week, well, that would have evoked a completely different response.

So good research not only focuses on asking the right people, it also means asking the right people the right questions to uncover the answers you need.

03 Use the right stimulus.

I often tell clients that you get out of market research exactly what you put in.

As the adage goes, garbage in garbage out. Which means the quality of your stimulus and the way you choose to present it to your audience is paramount.

Stimulus can take a number of forms, whether it be positioning statements, mood boards, advertising concepts, packaging and so on. Ask someone to provide feedback on a particular market or service and their perspective will be dominated by the current landscape – whereas you are fundamentally hoping that through the introduction of whatever your research outcome is, that landscape will be different. So the stimulus has to provide people with a vision, a flavour, a direction – it has to challenge their notion of the status quo and stimulate thinking on how things might be different. Stimulus is an imperative part of optimal research outcomes because generally, people are unable to conceptualise or visualise something that is not currently in existence.

I think one of the things many clients forget is that stimulus is just that – stimulus, a conversation starter to help the audience understand what we are talking about. In which case, it is actually better to have shades of grey in the representation of the stimulus. You actually want people to react badly (or less well) to some concepts in comparison to others. How can you learn anything if everyone reacts to everything in the same way? The key lies not just in their response to yes/no/maybe – but why do they think that? Thus, the practice that some clients exercise – of vetting stimulus before it goes into research to ‘weed out’ anything inappropriate may not actually result in the best research learning. Research is not about giving ticks and crosses to stimulus – it’s about explaining how people react to certain stimuli and why.

It stands to reason then that the stimulus should be prepared in order to give it the best possible chance to be explored and understood by the research audience. I am generally at odds with many in the market research community who believe that every piece of stimulus needs to be presented in exactly the same format to the audience in order not to generate bias of one concept over another. I believe it is the skill of the moderator to take into account differences in stimulus. To understand not just what is being said in reaction to the concept, but to understand the attitudes that are driving that reaction, irrespective of the form in which they see the concept. Sure, research bias is a difficult area and the discipline is often criticised for either being unrealistic or ‘leading the witness’.

I guess it comes down to risk – the risk of using a research facilitator who may not be up to scratch (although you might equally find one who is outstanding and can articulate relevant behavioural drivers) against the risk of doing no research at all and making decisions blind on the misguided belief that all research is useless. Pretty clear choice for risk mitigation I reckon.

04 Have a hypothesis - but keep an open mind about the problem.

I always have a hypothesis about what I think is going on attitudinally before I begin my research projects. And I am proud to say I am often wrong!

The thing about really good researchers is that they are fascinated by why people behave the way they do. They are truly the voice of the customer in a research sense – they are there to champion the attitudes of ‘real people’.

So when it transpires that the hypothesis on behaviour is actually not correct, they do not react with concern, or despondency about where to next for the project. Rather, I find I am even more fascinated about why this new perspective has come to the fore, and what effect it has on the market.

It is precisely this form of detachment that makes market research so helpful. For example, I just completed a big project for a professional body who felt that one of the issues hindering their membership was that their name incorporated the word ‘Royal’. This sounded like a fair enough hypothesis to me – ‘Royal’ is quite a divisive issue nowadays with it carrying both positive aspects of stature and history, and negative aspects such as stuffiness and old fashioned. Maybe it was holding membership back.

So once again in the research groups, instead of just leaping straight in and saying hands up who likes the name, I spent much more time exploring the role of a professional body, the expectations of the members and how well the body was tracking in comparison to those expectations. When we did finally come to asking about the name, do you know what? Most people couldn’t really care less whether it kept ‘Royal’ or not. In fact, it became quite clear that it wasn’t the name that was hindering larger membership – it was the perceived value of membership, the very core of what people wanted their membership funds to go towards. The name was the easy part, and afterthought that whilst of intense interest to a vocal minority, was certainly not a barrier to growing membership.

So it is critical for a researcher to have that skill of being able to both hear and listen. To fully explore the hypothesis of the wise – but be flexible and insightful enough on the spot to change tack and explore different avenues in order to be able to report on behaviour, not just answers to questions.

05 Get closer to the action.

I am a firm believer in ethnographic research. That is, research that takes place actually within the context of the participant's life rather than the respondent coming to a central group room facility and participating in a research group.

This form of research is more time consuming and therefore more expensive – but it is also extremely revealing and can deliver a much clearer picture of the consumer truth. For example, we've looked in pantries, school lunchboxes and wardrobes. We've taken teenage girls shopping at major shopping centres to understand their views about retail, discussed the role of religion in churches, shared with Lotto players their dreams of living the high life whilst sipping champagne overlooking Sydney Harbour, and researched Melbourne Cup Day at the races. We've even accompanied busy Mums on the weekly supermarket shop. And in doing so, we have gleaned a better understanding of why people behave the way they do.

I mentioned earlier the startling finding that consumers often do not tell the truth. As a result of running numerous conventional breakfast cereal research groups where I couldn't find a mum willing to admit to purchasing Coco Pops, I began doing house calls at breakfast time. Yep, there I was in Outer Eastern Suburb, on the doorstep at 6.30am ready to do business. Of course, to start with, I faced the same problem. When a family knows someone is coming to breakfast, they don't just maintain their normal out-of-control, stress-ridden rushed morning routine. No, not at all! Dad, instead of burying his head in the paper and grunting intermittently at the children, is actively engaging said children by discussing what excitement the day ahead will hold. And mum, instead of wearily sipping coffee in between trying to make breakfast, prepare everyone else's lunch, locate missing socks and put two loads of washing on – well, on this particular morning she has sliced fresh fruit and made porridge for the whole family to share together. Yeah, right!

So after we'd played along with the charade of happy family breakfasts for a while, I'd head to the pantry. And lo and behold, there in the front would be an offending packet of Coco Pops. 'So when do you have this cereal then?' I would enquire? 'Oh, very rarely'. And after much discussion and sympathising with the working mother's lot, I would understand 'very rarely' to mean school holidays, sleepovers, exam time, when they'd been out the night before and needed a bit of extra energy, days of the week that ended with the letter 'Y' and so forth.

And then the truth would emerge. Because Mum was suddenly forced to defend the despicable item found in the pantry. And she would eventually share her innate desire to give her children a good breakfast to start the day – but fear that if they turned their noses up and ate nothing then she would have failed. So better to eat a bowl of Coco Pops than leftover pizza, or worse, nothing at all. Besides, Coco Pops with milk does have energy. And calcium. And it's only every now and then, so it can't be that bad. She's doing the best she can.

Can you see how much richer the understanding of attitudes and resultant behaviours such an experience imparts? I'm not sure we would ever have reached such an eloquent understanding of the issue in a central group room facility. It may not suit every project every time, but getting closer to the action gets you closer to the truth.

Get tough with them.

I am not a facilitator that adheres to the research convention that says the best researchers put everyone at ease, and then guides the conversation to allow natural observations about life bubble to the surface.

As far as I'm concerned, there's not a lot that is natural about the research process. Even when we conduct ethnographic research, it is not normal to materialise on someone's doorstep at 6.30am in the morning and start discussing in detail what everyone's having for breakfast. People don't spend anywhere near as much time thinking about their behaviour as we spend thinking about their behaviour!

So whilst I believe it is certainly important that a research facilitator puts respondents at ease, I also believe it is their role to gently challenge the group to really explore those deeply held attitudes. When teaching facilitators the art of conducting groups, one of the more excruciating skills to learn is to say nothing after asking a question.

Invariably, a facilitator will at some stage pose a question to which there will be a silent response. No-one is willing to speak and the interminable void of silence stretches to an embarrassing length. New facilitators will almost always jump in. Say something, anything, to fill up the silence. Don't succumb! It is in that very silence, that long and uncomfortable silence, a respondent will finally blurt something out. And often the 'something' that was prodded through embarrassment is actually a reflection of a very deeply held attitude. And so you reach the truth much more quickly, albeit at times agonising.

I also believe that some respondents need to be soundly challenged, to be forced to defend their view, in order for the real truth to come out. Seniors are a good example. Seniors (people 55 plus) always turn up to groups early because they have less time pressure and they quite enjoy coming! They get to have a coffee and a chat, while away some time, and leave with a bit of cash in their pocket. Some seniors are actually hideously opinionated and rarely hold back letting you know their carefully crafted views based on sixty years of living. But many respondents – ladies in particular – want to have a nice happy chat for a few hours. They certainly don't want to say anything controversial.

I think a good researcher understands that and finds ways to fundamentally challenge that normative behaviour and ensures the truth comes to the surface. A few years ago I was involved in researching an advertising campaign that sought to convince Australians to vote in favour of the referendum for Australia to become a Republic. Now this was an extremely emotionally charged issue for some, there was a lot of misinformation in the media and people were quite confused about the pros and cons of each choice. But people were generally unwilling in a research group with strangers (and even with friends) to take a position. So I had to force them! The group became quite animated and despite some individual's discomfort, we certainly uncovered why people carried the attitudes they did.

Please don't misinterpret my conclusion here! It is imperative that researchers strike a good rapport with their respondents – but again, it is like parenthood. The best parent child relationship is not one in which the parent is the friend or mate of the child, but where there is connection and mutual respect. The boundaries need to be set, and all parties need to be secure in where the conversation is headed – but that doesn't mean that conflict appropriately managed can uncover some insightful attitudes and behaviours.

07 The groups are the easy part - the interpretation is critical.

When you consider the entire process of understanding attitudes and behaviours with the use of market research, one sees that the actual conducting of the group is in fact the easiest part.

Yes, it is the point at which you actively come into contact with your chosen audience – but research is not just about observation, it's about interpretation. It is not just what is said – it's what it means.

Too often clients turn up to research groups, hear what people have to say, and leave feeling they have heard the truth and barely need to wait for the debrief. Yet good researchers know that the end of the group is where the real work begins. The process of getting behind what was said to determine what needs to happen in the future to alter the status quo.

My favourite example of this was when I conducted some research into the game of Lotto some years back in Sydney. Lotto as a game was losing players, and the hypothesis was that it was being overtaken by other sexier choices. After all, the Lotto prize pool of around a million dollars doesn't buy what it used to! So maybe the temptation to play Lotto was equally diminished.

So we gathered a lot of regular Lotto players to talk about their experiences. Every one of them had been keen players in the past but had gradually turned to other forms of gaming. Every one that is, apart from Vernon.

Vernon was a forty seven year old public servant, married to the same woman and living in the same house for the past twenty-five years. Vernon wore a conservative brown suit and spoke in quiet embarrassed tones when he revealed he had been playing Lotto for 28 years. 'Wow', we all said, '28 years, that's something', Yup, every week, never missed one. The interest of the group was further heightened. So Vernon, how much have you won in those 28 years?

'Well', Vernon confessed 'I've never won once'.

No?! Never??? NEVER?!!!

Nup. Not once.

Suddenly everyone starts talking! Is he sure, not even once? And then more slowly dawning on the group – Vernon.... Why on earth do you keep playing???! When are you going to give it up man?!

Do you know why Vernon keeps playing?

Because Vernon – unlike everyone else in that group – still hand picks his numbers. The same numbers every week for 28 years. And he's terrified that the minute he doesn't put that ticket on, those numbers will come up.

Everyone else had given up picking their own numbers ages ago, and graduated to the newer, sexier 'Quickpick' system where the machine picks the numbers for you.

So how interesting is that?

To me, this is the best case of misinterpreting observation with insight. I can see how this circumstance arose! It would have been some marketing guru who went along to a research group asking people why they didn't play Lotto more often, and a few people might have said well, it's not that convenient to play, takes a bit of time to fill out the form, so they stopped playing so frequently.

Based on this single statement at face value, what did they do? They decided to make Lotto more convenient. They invented quick pick machines which made it more convenient by making sure the person didn't have to pick their numbers. They could just rock up and choose any old numbers. What a great innovation!

In one single fatal stroke, never to be taken back, never to be reversed, that professional managed to do the one thing that would start an irrevocable slide down the slippery slope of commitment. On the strength of trying to make Lotto more convenient, they had made it so convenient that everyone in the room was indifferent to playing Lotto every week. Everyone except Vernon.

So there you go, that is the seventh principle in my Seven Vital Facts that I believe make the difference between good research and mediocre research. Between research that can really help guide your decision making, and research that leaves you with more questions than answers. At the heart of these principles is the art of understanding why people behave the way they do. Which is why good researchers go well beyond what is said at a focus group to determine the attitudes and behaviours that colour those statements. It is only then that we can effectively provide research feedback that is genuinely useful.

