



23C59000 - Consumer research

Methods and Designing Consumer Research Projects

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Agenda

- **Orienting towards different research approaches**
- **Examples of novel/contemporary approaches**
- **Should we do always do research?**



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How would you go about researching consumers?

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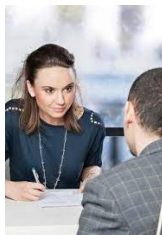
Depends on what you want to find out!

There are numerous different approaches to study consumers



Quantitative surveys

Hundreds and
hundreds of
recipients



Qualitative,
in-depth interviews

Much fewer
interviewees (~20)



Focus groups

Around 6 to 8
participants in a
group

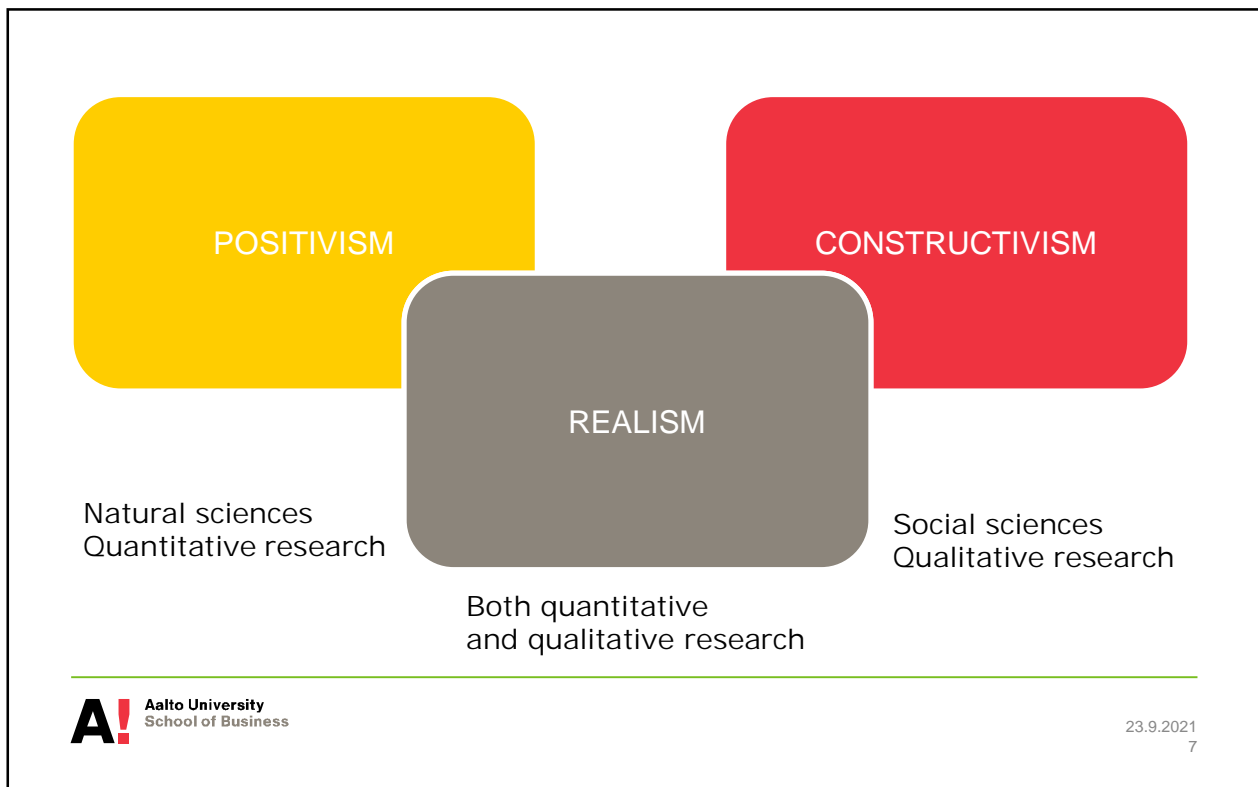
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Qualitative and quantitative methods

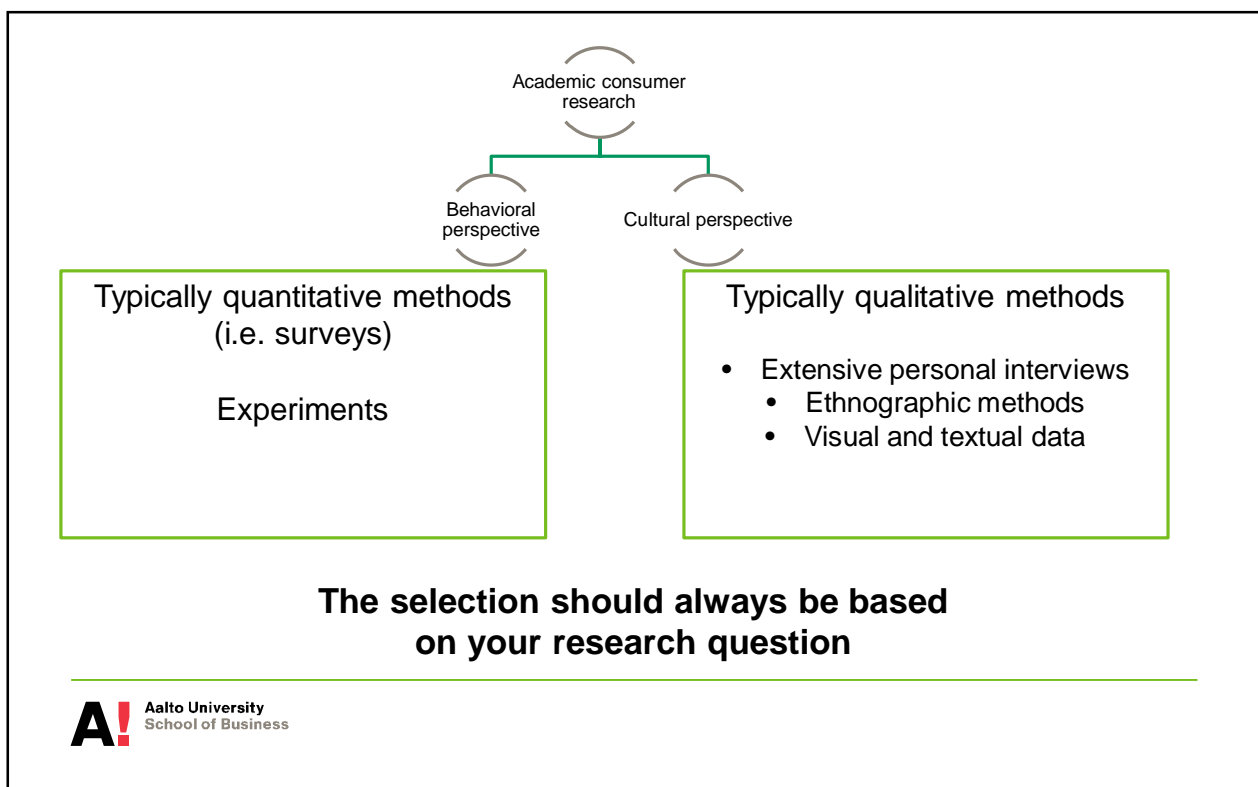
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	QUALITATIVE	QUANTITATIVE
CONCEPTUAL DEFINITION	<ul style="list-style-type: none"> Concerned with understanding a phenomenon as fully as possible Assumes that the phenomenon can and will change 	<ul style="list-style-type: none"> Concerned with discovering facts and causal linkages within phenomenon Assumes phenomenon static (for now)
METHODOLOGICAL CONSIDERATIONS	<ul style="list-style-type: none"> Textual empirical materials Participant observation, ethnography, interviews, mixed methods In-depth understanding from a few cases, quality of informants more important than sample size 	<ul style="list-style-type: none"> Numeric data, focus on measurable variables Measuring, conducting experiments, statistical inferences, surveys and reviews of records or documents for numeric information Data reported through "neutral" statistical analyses Generalizable findings from big samples –the bigger the N, the better

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Survey

A method of gathering information from a sample of people, traditionally with the intention of generalizing the results to a larger population

Make use of questionnaires that have different question formats such as

- **Multiple choice with likert scales**
- **Ranking orders (preference from listed items)**



Alexander, Samuel, and Simon Ussher. "The voluntary simplicity movement: A multi-national survey analysis in theoretical context." *Journal of Consumer Culture* 12.1 (2012): 66-86.

Abstract

Overconsumption in affluent societies is the root or contributing cause of many of the world's most pressing problems, including environmental degradation, global poverty, peak oil and consumer malaise. This suggests that any transition to a sustainable and just society will require those who are overconsuming to move to far more materially 'simple' lifestyles. The Voluntary Simplicity Movement can be understood broadly as a diverse social movement made up of people who are resisting high consumption lifestyles and who are seeking, in various ways, a lower consumption but higher quality of life alternative. Recently a multi-national online survey was launched for the purpose of gaining empirical insight into this 'post-consumerist' social movement, and this study provides the most extensive sociological examination of the movement available. After situating the Voluntary Simplicity Movement in theoretical context, this article presents a foundational analysis of these new survey results.

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Survey design

- The survey was designed to gain some empirical insight into the lives of people **who are** choosing to move away from high consumption lifestyles and who are embracing lifestyles of reduced or restrained income and consumption. - - It was also made clear that the survey was not intended for people who were involuntarily living simply."
- The survey included 50 questions; demographic, lifestyle, values, motivations, happiness, income, politics. Included some open-ended questions
- **Convenience sampling:** "Once the survey was created, the next task was to get as many participants as possible. We began by seeking promotion of the survey by contacting every organization, website or 'blog' we could find related to simple living, voluntary simplicity, downshifting, etc. - - We then contacted academics, educators and activists who are involved in the Simplicity Movement (or involved in closely related subjects such as sustainable consumption) and asked them to promote the survey to relevant networks."
- 2268 participants

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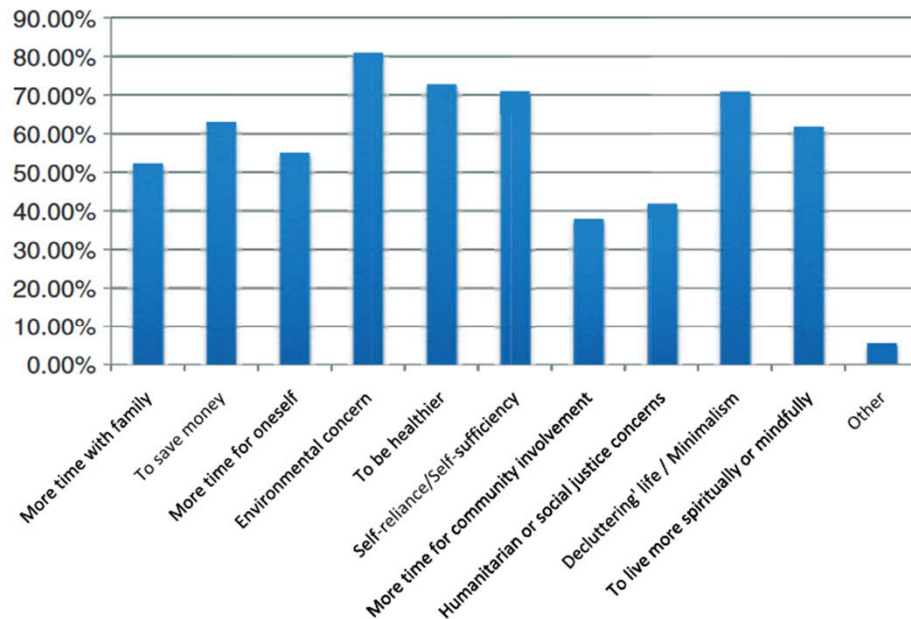


Figure 1. Percentage of participants listing specific motivations for living simply.

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Interviews

- An interview is a organized conversation where the interviewer asks questions and the interviewee provides answers to them
- Three types of interviews
 - Structured interview → seeks neutrality, no improvisation or prompting → closer to survey
 - Semi-structured interview → a pre-planned interview outline, but allows flexibility
 - Open-ended interview → no specific interview outline, "go with the flow"

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Michael, Janna. "It's really not hip to be a hipster: Negotiating trends and authenticity in the cultural field." *Journal of Consumer Culture* 15.2 (2015): 163-182.

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Abstract

Being 'hip' is nowadays considered a crucial source of social prestige in the fields of fashion and music which are in a state of constant flux and revaluation. Being 'in the know' of new developments in the cultural field has consequently been discussed as an alternative to a status hierarchy based on social class as Bourdieu described it. In-depth interviews with young people deeply involved in urban culture scenes reveal a different perspective: They dismiss following trends which is seen as shallow, boring and too easy. Instead, their central concerns are authenticity and individuality. While the participants emphasize their openness and acceptance of other people's tastes, not submitting oneself to any set style regimes is considered admirable. Bourdieu's concept of naturalness turns out to be a useful theoretical approach that captures the kind of authenticity that the interviewees are performing.

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Study design

- 17 in-depth, semi-structured interviews
 - “interviewees were asked about their cultural practices, specifically their taste for and practices around music, fashion and interest in other art forms”
- Criterion sampling → selection on interviewees based on pre-established criteria
 - “I approached voracious cultural consumers who were deeply involved in the cultural field of the city they live in. They are people who ‘know what’s going on’ in their own cultural scene or niche while a range of ‘niches’ were included: electronic and ‘indie’ music, fashion, theatre and photography next to some side interest my interviewees had in other field.”
- Interviews took places in Berlin, Hague, Amsterdam, Rotterdam, Copenhagen and Hamburg

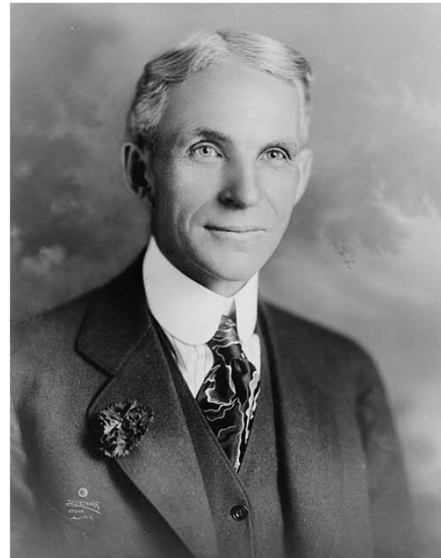
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What are potential problems with asking people?

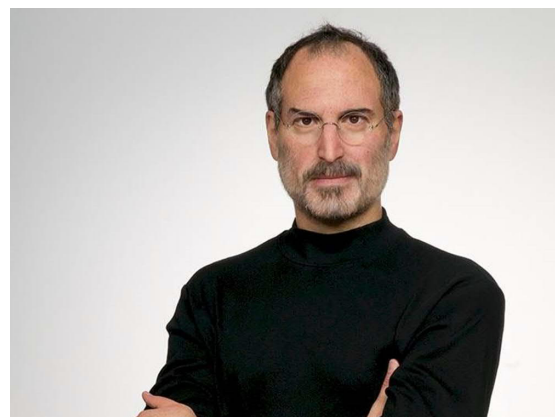
- **Biases** (some unconscious)
- **Context dependence** (What time of the day did you ask them? Were they in a hurry? Were they fighting with their spouse?)
- People want to give please others and give “**socially acceptable**” answers
 - Especially in focus groups!
- **People omit**
 - they forget, they haven’t actually thought about it, they don’t want to talk about it, they don’t know how to phrase it
- **People lie**
- **Limited imagination** – people don’t know what is possible

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**"If I had asked
people what they
wanted, they
would have said
faster horses"
HENRY FORD**



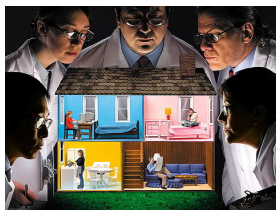
**"It isn't the
consumers' job to
know what they
want."
STEVE JOBS**





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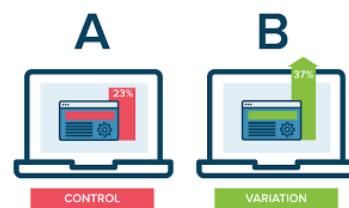
How to do consumer research without asking consumers..?



Ethnography



Experiments

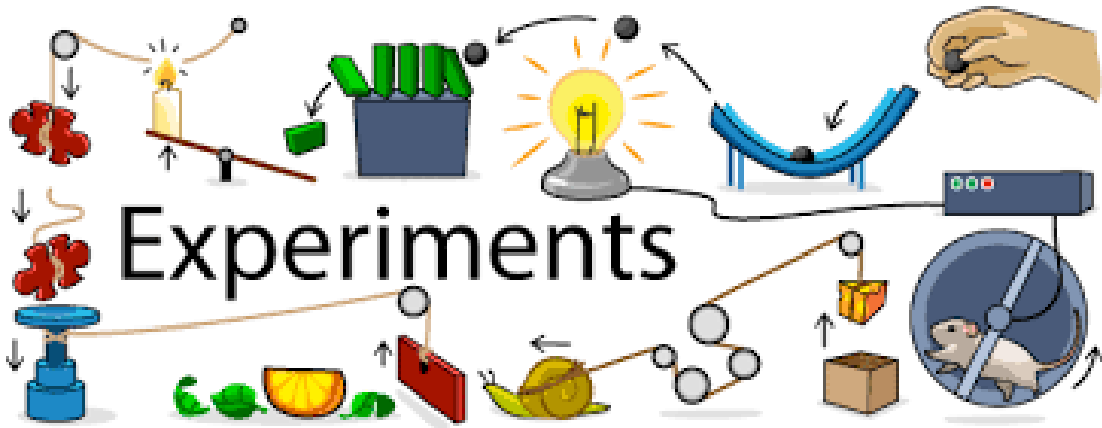


A/B testing



Big data

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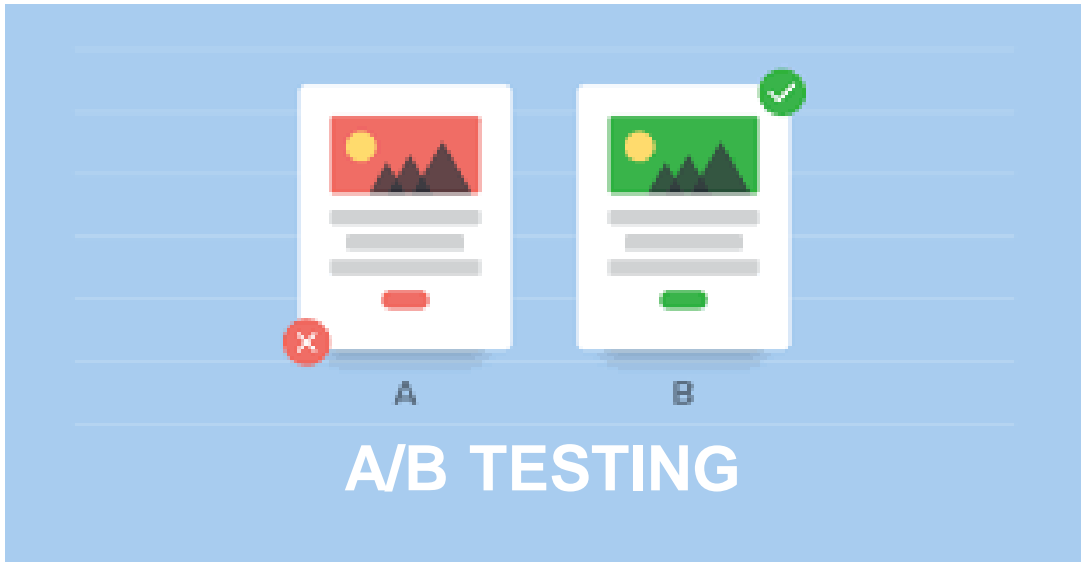


Experiments

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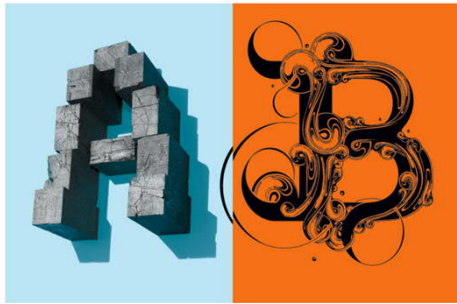
A/B TESTING

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THE A/B TEST: INSIDE THE TECHNOLOGY THAT'S CHANGING THE RULES OF BUSINESS



“It’s now the standard (but seldom advertised) means through which Silicon Valley improves its online products. Using A/B, new ideas can be essentially focus-group tested in real time: **Without being told, a fraction of users are diverted to a slightly different version of a given web page and their behavior compared against the mass of users on the standard site.**” -Wired

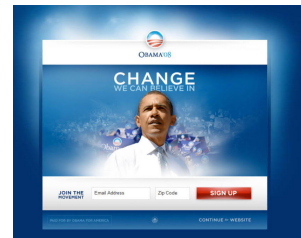
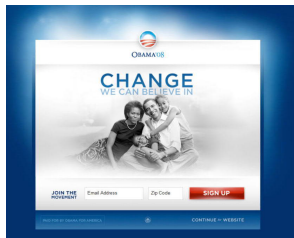
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We tried four buttons and six different media (three images and three videos).
We used Google Website Optimizer and ran this as a full-factorial multivariate
test which is just a fancy way of saying we tested all the combinations of
buttons and media against each other at the same time. Since we had four
buttons and six different media that meant we had 24 (4 x 6) total combinations
to test. Every visitor to the splash page was randomly shown one of these
combinations and we tracked whether they signed up or not.

JOIN US NOW

LEARN MORE

SIGN UP NOW










SIGN UP

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Obama 2012 campaign

The metric we used to measure success was sign-up rate: the number of people who signed up divided by the number of people who saw that particular variation. Since there were a total of 310,382 visitors to the splash page during the experiment that meant each variation was seen by roughly 13,000 people.

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Combinations (24)		Page Sections (2)		Download:  XML  CSV  TSV  Print		
Relevance Rating 	Variation	Est. conv. rate 		Chance to Beat Orig. 	Observed Improvement 	Conv./Visitors 
Button <div><div>5 / 5</div><div><div></div><div></div><div></div><div></div><div></div></div></div>	Original	7.51% ± 0.2% <div><div></div></div>	—	—	—	5851 / 77858
	Learn More	8.91% ± 0.2% <div><div></div></div>	100%	18.6%	6927 / 77729	
	Join Us Now	7.62% ± 0.2% <div><div></div></div>	73.5%	1.37%	5915 / 77644	
	Sign Up Now	7.34% ± 0.2% <div><div></div></div>	13.7%	-2.38%	5660 / 77151	
	Media <div><div>5 / 5</div><div><div></div><div></div><div></div><div></div><div></div></div></div>	Original	8.54% ± 0.2% <div><div></div></div>	—	—	4425 / 51794
Family Image		9.66% ± 0.2% <div><div></div></div>	100%	13.1%	4996 / 51696	
Change Image		8.87% ± 0.2% <div><div></div></div>	92.2%	3.85%	4595 / 51790	
Barack's Video		7.76% ± 0.2% <div><div></div></div>	0.04%	-9.14%	3992 / 51427	
Sam's Video		6.29% ± 0.2% <div><div></div></div>	0.00%	-26.4%	3261 / 51864	
Springfield Video		5.95% ± 0.2% <div><div></div></div>	0.00%	-30.3%	3084 / 51811	

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Winner

The winning version of the Obama '08 campaign website, which had 8.2 million visitors, earned a total of 2,880,000 email addresses and a total of \$60 million in donations.



page
tional
nal \$60

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Problems with A/B testing?

- Only work in online environments, where you can quickly randomize “reality” for consumers
- You may end up tweaking minutiae, when you should be making more drastic changes
- You need a lot of traffic to be able to discern statistical significance

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Big data analytics is the often **complex process of examining large and varied data sets**, or big data, to **uncover** information -- such as **hidden patterns, unknown correlations, market trends** and **customer preferences** – that can help organizations **make informed business decisions.**

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Case Netflix's House of Cards

big data / hadoop / netflix

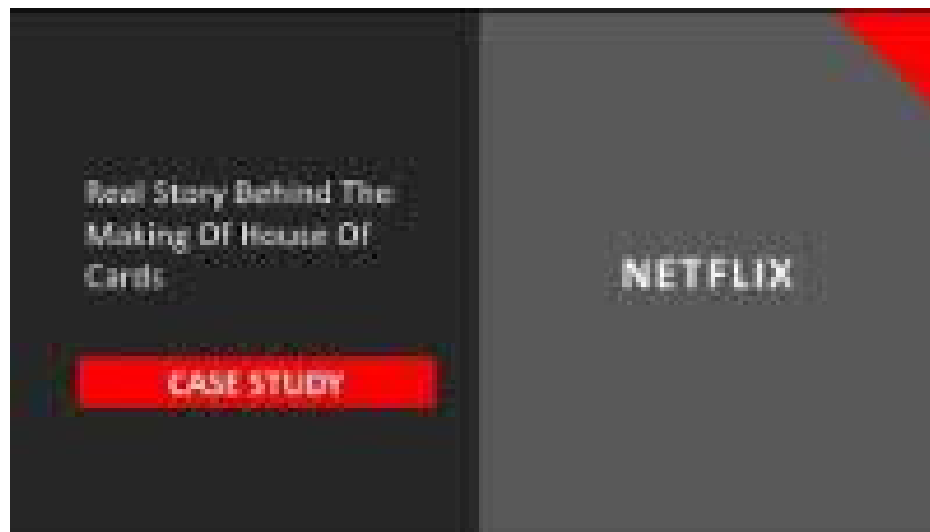
Netflix analyzes *a lot* of data about your viewing habits

by Derrick Harris JUN. 14, 2012 - 6:52 PM PDT

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[+1](#)
[Email](#)

“The scope of the data collected by Netflix from its 29 million streaming video subscribers is staggering. Every search you make, every positive or negative rating you give to what you just watched, is piped in along with ratings data from third-party providers like Nielsen. Location data, device data, social media references, bookmarks. [...] The logistics involved with handling every bit of information generated by Netflix viewers — and making sense of it — are pure geek wizardry.” (Salon.com)

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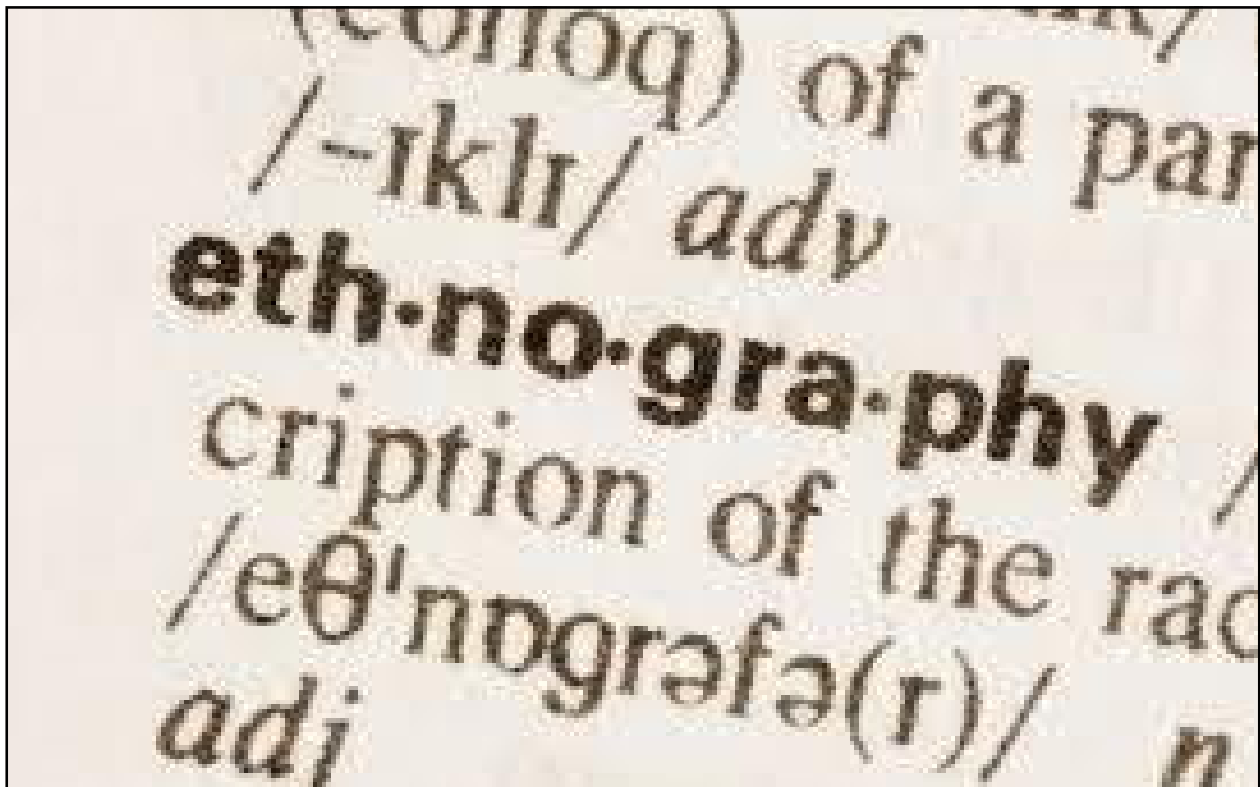


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"We have **an immense amount of data**, we see everything our subscribers are watching," says Cindy Holland, head of original content at Netflix. "**We can identify subscriber populations that gravitate around genre areas**, such as horror, thriller and supernatural. That allows us to project a threshold audience size to see if it makes for a viable project for us."

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“Ethnography
(from Greek ἔθνος ethnos "folk, people, nation" and γράφω grapho
"I write")

is the systematic study of people and cultures.

It is designed to

explore cultural phenomena

where the researcher observes society

from the point of view of the subject of the study.

An ethnography is a means to

represent graphically and in writing

the culture of a group.”

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Two types of ethnography

CLASSIC ETHNOGRAPHY

- In anthropology
- Studies “unfamiliar” cultures in far-away places

Unfamiliar = non-Western



CONTEMPORARY ETHNOGRAPHY

- “Ethnography at home”
- Focuses on different nearby groups, like subcultures

Unfamiliar = marginal



Two ways of conducting ethnographic observation

- In **non-participant observation** (“pure” observation) the **researcher looks “from the outside in”**
 - for example: Trévinal, Aurélia Michaud. "Shopping in a mall: A typology of four shopping trips." *Recherche et Applications en Marketing* (English Edition) 28.3 (2013): 14-43.)
- In **participant observation** the **researcher joins** the activities to get an insider's view and experience
 - for example: Kozinets, Robert V. (2002), “Can Consumers Escape the Market? Emancipatory Illuminations from Burning Man,” *Journal of Consumer Research*, 29 (June), 20-38.)

Kozinets, Robert V. "Can consumers escape the market? Emancipatory illuminations from burning man." *Journal of Consumer research* 29.1 (2002): 20-38.



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This ethnography explores the emancipatory dynamics of the Burning Man project, a one-week-long antimarket event. Practices used at Burning Man to distance consumers from the market include discourses supporting communality and disparaging market logics, alternative exchange practices, and positioning consumption as self-expressive art. Findings reveal several communal practices that distance consumption from broader rhetorics of efficiency and rationality. Although Burning Man's participants materially support the market, they successfully construct a temporary hypercommunity from which to practice divergent social logics. Escape from the market, if possible at all, must be conceived of as similarly temporary and local.

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Research design

- Three years of following an online community around Burning man, beginning in 1996
- “I downloaded and analyzed Burning Man-related photographs, articles, documents, reminiscences, computer-mediated communications, and other cultural data available through mass media channels and on the Internet.”
- 1999 conducted six days of participant observation at the festival, also interviewing participants
- After the festival kept active e-mail communication with the people met and interviewed
- Created a website called Burning Man Research and signed up to three Burning Man mailing lists
- Another six says at the festival in 2000
- Interviewed more than 210 people, took more than 300 photographs
- “Between interviews, and particularly during the evenings, I left my camera behind and participated: wearing a variety of outlandish costumes, being initiated into new religions, drumming, meeting new people, riding on strange vehicles like UFOs and Viking ships.”

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Anthropology Inc.

Forget online surveys and dinnertime robo-calls. A consulting firm called ReD is at the forefront of a new trend in market research, treating the everyday lives of consumers as a subject worthy of social-science scrutiny. On behalf of its corporate clients, ReD will uncover your deepest needs, fears, and desires.



“Jun Lee, a ReD partner, says that when clients are confronted with the company’s anthropological research, **they often discover fundamental differences between the businesses they *thought* they were in, and the businesses they *actually are* in.**”

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Do you always have to "do" consumer research?

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There are a LOT of existing resources available!



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It is important to do proper secondary

desktop research

(news, historical archives etc.)

AND

a review of prior literature

around your suggested research topic! You may already find a lot of existing answers to your questions!



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Questions, comments grievances?