

# Research methods and designing consumer research projects



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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.**

# 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.



# How would you go about researching consumers?



# Appropriate research method depends on what you want to find out!

There are numerous different approaches to study consumers



*Quantitative surveys*



*Qualitative, in-depth interviews*



*Focus groups*



*Ethnography*





**What do these videos tell about  
different methods and the  
solutions they provide?**

# Research process



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# The Marketing Research Process

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graph TD; C((The Marketing Research Process)) --- 1[1: Identify and Define the Problem]; C --- 2[2: Develop Research Approach]; C --- 3[3: Research Design]; C --- 4[4: Data Collection]; C --- 5[5: Data Analysis]; C --- 6[6: Report Generation and Presentation];
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## #1: Identify and Define the Problem

- Examine secondary research
- Set research objectives

## #2: Develop Research Approach

- Theory and hypothesis development
- Potential methodological approaches

## #3: Research Design

- Determine method and measurement procedures
- Data analysis plan

## #4: Data Collection

## #5: Data Analysis

- Understanding the results
- Statistical analysis (e.g., regression, factor analysis, etc.)

## #6: Report Generation and Presentation

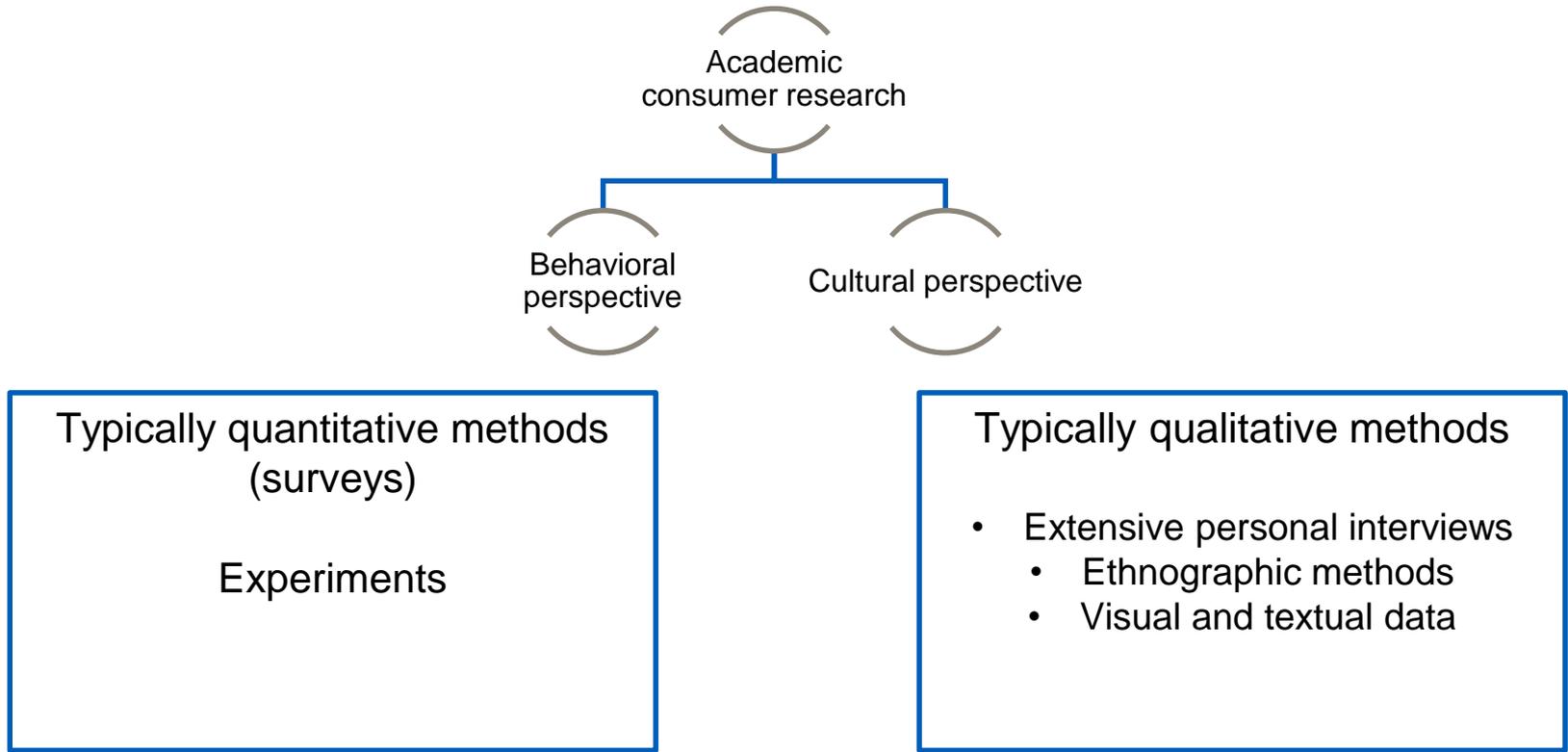
- Usable format to enhance decision making

# Qualitative vs. Quantitative methods

## Overview



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**The selection of methods should always be done based  
your research question!!**

## QUALITATIVE

## QUANTITATIVE

### CONCEPTUAL DEFINITION

- Concerned with understanding a phenomenon as fully as possible
  - Assumes that the phenomenon can and will change
- Concerned with discovering facts and causal linkages within phenomenon
  - Assumes phenomenon static (for now)

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### METHODOLOGICAL CONSIDERATIONS

- Textual empirical materials
  - Participant observation, ethnography, interviews, mixed methods
  - Data analysis emerges from informant descriptions
  - Reported in the “language” the informants used
  - Inductive processes
  - In-depth understanding from a few cases, quality of informants more important than sample size
- 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
  - Deductive processes
  - Generalizable findings from big samples – the bigger the N, the better

# Qualitative methods

Grounded theory, Ethnography,  
Phenomenological interviews



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# What is qualitative research?

Qualitative Research involves finding out **what people think, how they do things, and how they feel** - or at any rate, what they say they think, do or feel. This kind of information is subjective. It involves **impressions, feelings and actions, rather than numbers**”

*Bellenger, Bernhardt and Goldstucker, Qualitative Research in Marketing, American Marketing Association*

**There are numerous ways of doing qualitative research!**

**During this lecture we cover only three of them!**

# Important question to ask yourself when designing your qualitative research project!

What is the phenomenon that you want to focus on? What is problematic or particularly interesting in it (e.g. why do you think it should be studied)?

What does prior literature say about this phenomenon or similar ones? What do we need to know more about (can you identify a clear research gap?). Why?

➤ **Note that at this point you may find out there is plenty of existing literature (no need to study the phenomenon after all)!**

How would you argue your research problem and question based on the knowledge you have gained?

What sort of an empirical data set and methods allow you to do that?

What context or target group would provide the richest insights?

# Three different qualitative methods

## *GROUNDED THEORY*



*Disney customer relationship*

## *ETHNOGRAPHY*



*Brand community research*

## *PHENOMENOLOGICAL INTERV.*



*Experiences of parenting*

# Three different qualitative methods

## *GROUNDING THEORY*

Highly open-ended research method

Process aims to continuously redefine the problem, building on and revising existing knowledge

Symbolic and/or interactional elements important

Multiple methods based on where the “research is going”

## *ETHNOGRAPHY*

Socio-cultural patterns of consumption

Emphasis on rituals, shared understandings, status structures, power

Prolonged participation in a context

Multiple methods: interviewing, pictures, notes, video, surveys

## *PHENOMENOLOGICAL INTERVIEWS*

Understanding how consumers ‘see themselves’ in context

Consumption as ‘lived experience’

Heavy emphasis on emotion, experience, feelings

Usually only done through structured deep interviews

# Context OR research problem – what comes first?

# Making context matter

Good contexts:

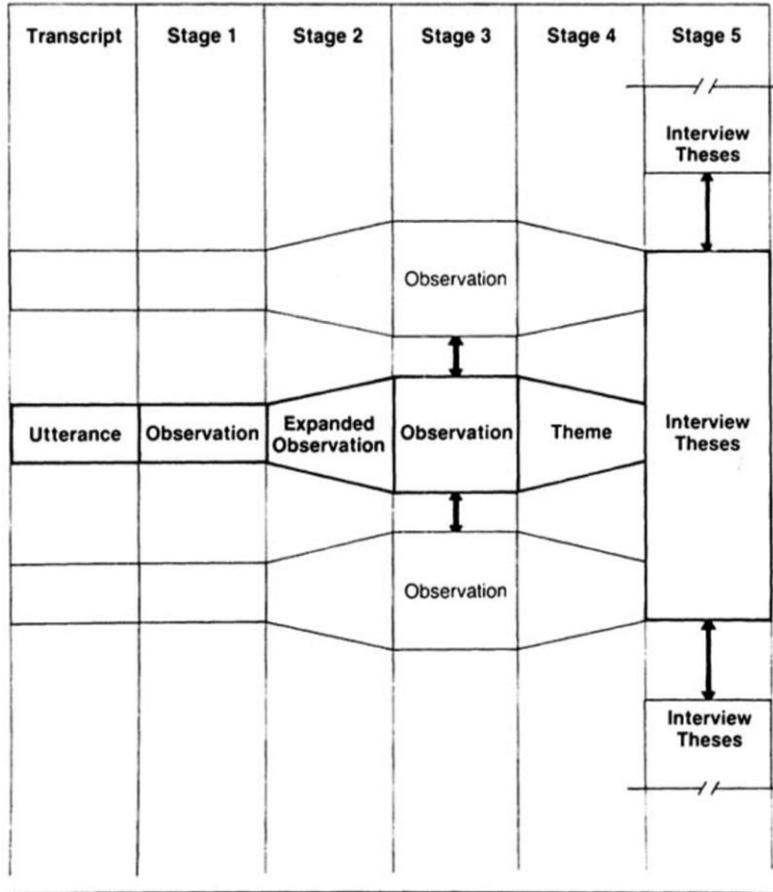
- engage our emotions and our senses
- stimulate discovery
- invite description and excite comparison



# Making context matter: danger of contexts

- The researcher becomes over absorbed in the context
- The reader becomes over absorbed in the context

# Analysing your data



- **Utterance:** something that catches the researcher's ear / eye
- **Observation:** is this important? what does this mean?
- **Expanded observation:** how far does this go? what are the limits of this vs. other utterances?
- **Interconnection:** do other informants talk about this too? how do they differ?
- **Theme:** how do I tell the story of these interrelated aspects?

# ‘Doing’ qualitative methods

Ignore what people say

(why is that?)

# Known problems in interviewing

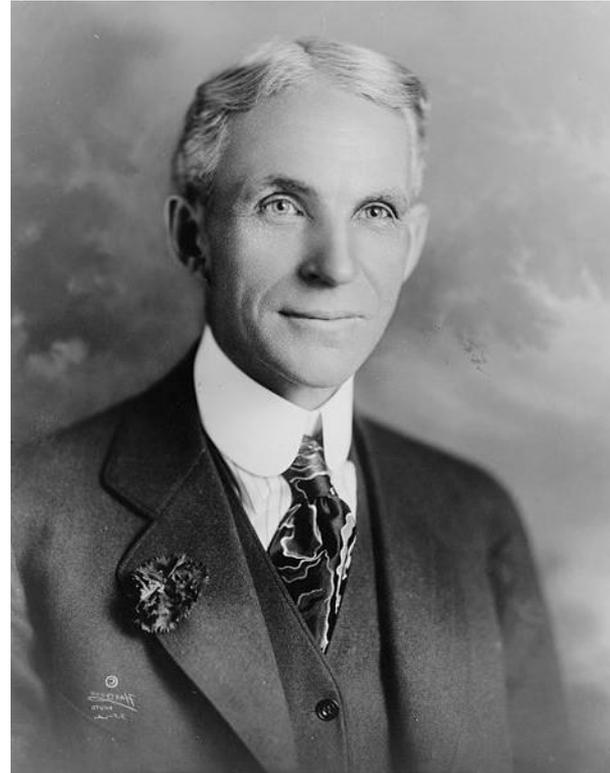
- People tend to say what the interviewer wants to hear (giving “socially acceptable” answers, especially in focus groups)
- People forget things, they haven’t actually thought about it, they don’t want to talk about it, they don’t know how to phrase it
- People may also lie.
- These problems are especially salient in “vulnerable contexts”
- **The interviewer has a big responsibility in managing the interview to ensure good data output → takes time (both prep and during)**



*Most qualitative interview instructions suggest **never using “why” questions**, instead opting for probing deeper (“could you tell me more...”, “earlier you said...”, “can you recall a time when that...”)*

*Why is this?*

”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.”



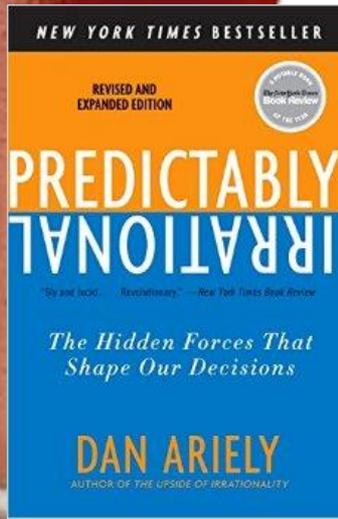


# Quantitative methods

(esp. research experiments)



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# Experiment objectives

- To study the impact of peers on choice making, how satisfied consumers were with their choices, and what personality traits they have
- Research design: 50 patrons get X, 50 patrons get Y



# What happened?



Correlation between the tendency to order alcoholic beverages that **were different** from what other people at the table had chosen and a personality trait called “need for uniqueness.”



In essence, individuals more concerned **with portraying their own uniqueness** were more likely to select an alcoholic beverage not yet ordered at their table in an effort to demonstrate that they were in fact one of a kind.

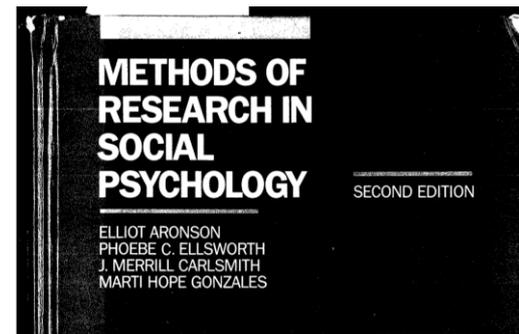
However, these individuals were not as satisfied with their choices.

# Conclusion based on research findings

People are sometimes **willing to sacrifice the pleasure they get from a particular consumption experience in order to project a certain image to others**. When people order food and drinks, they seem to have two goals: to order what they will enjoy most and to portray themselves in a positive light in the eyes of their friends. In essence, people, particularly those with a high need for uniqueness, may **sacrifice personal utility** in order **to gain reputational utility**.

# Why do we do experiments?

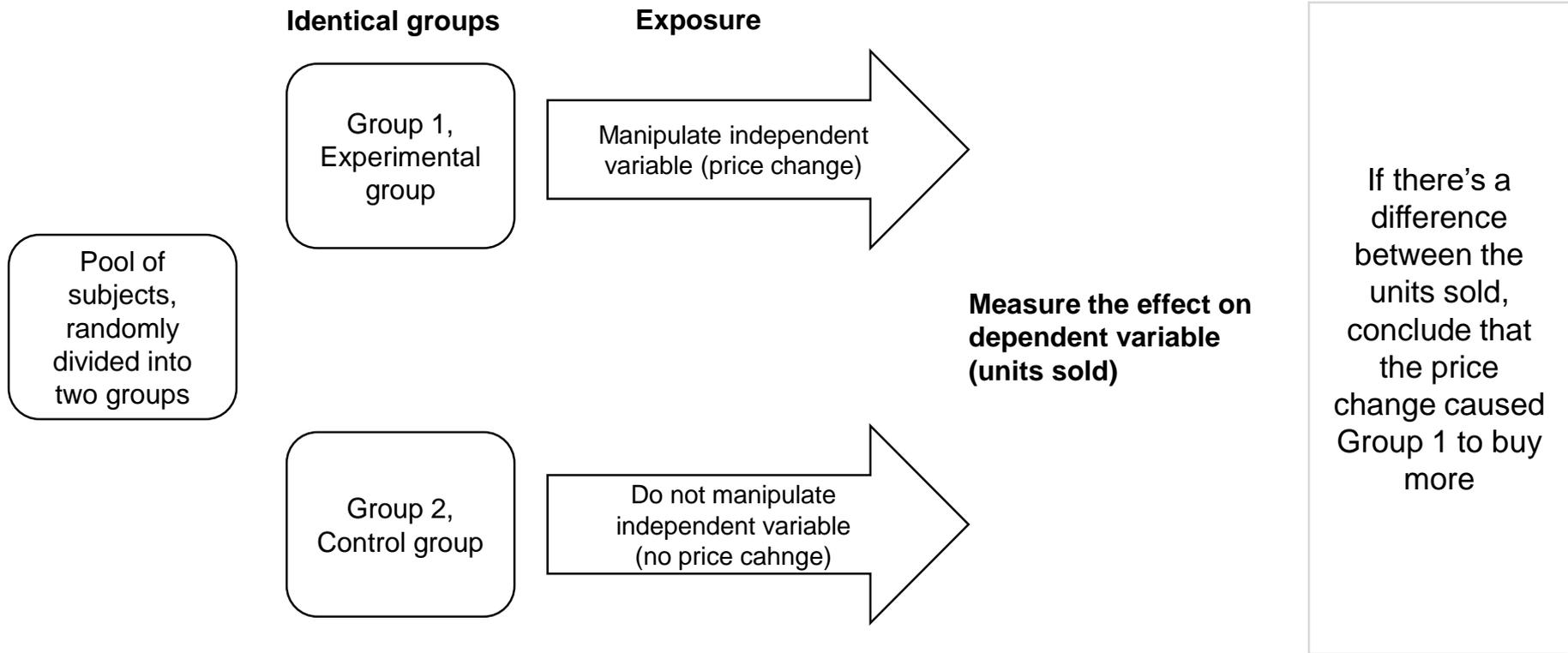
- “The major advantage of an experimental enquiry is that it provides us with unequivocal **evidence about causation**. Second, it gives us better **control over extraneous variables**. Finally, it allows us to explore the dimensions and parameters of a **complex variable**.”  
(Aronson et al 2003)
- However, note that this implies that a potential causal linkage between two or more things has already assumed to exist
- Links qualitative and quantitative!



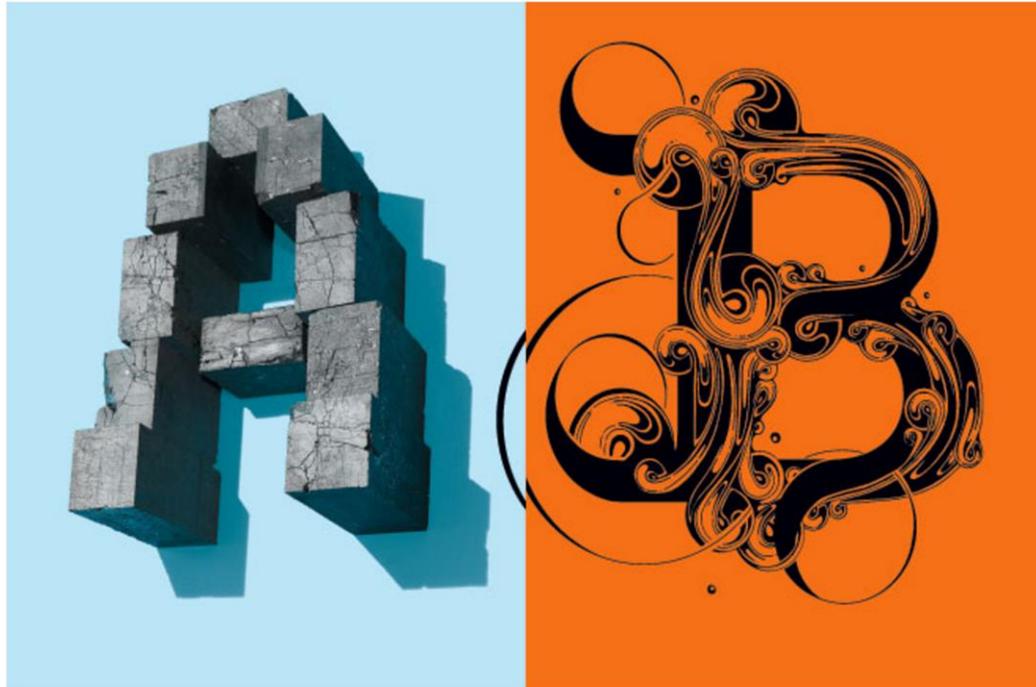
# Experimental terminology

- The variable that is manipulated by the researcher is called **independent variable** (e.g. price)
- The variable that is expected to be affected by the independent variable is called **dependent variable** (e.g. willingness to buy)
- Those who are exposed to the independent variable form the **experimental group** (e.g. price change)
- Those who are not exposed to the independent variable form the **control group** (e.g. no price change)

# Simple experimental design



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



**“A/B is now the standard 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. If the new version proves superior—gaining more clicks, longer visits, more purchases—it will displace the original; if the new version is inferior, it's quietly phased out without most users ever seeing it. **A/B allows seemingly subjective questions of design—color, layout, image selection, text—to become incontrovertible matters of data-driven social science.**”

- The Wired



**BIG DATA**

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.



# Netflix gathers detailed viewer data to guide its search for the next hit

**Streaming giant, which makes House of Cards, feeds response from 44 million subscribers into programme commissioning**

“Instead of making a show and then hoping it catches on with a big audience, **Netflix crunches its subscriber base viewing data** to identify fans of specific genres and then looks at TV formulas that it already knows are likely to appeal to them.”  
-Guardian





"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."

Do you always need to "do"  
consumer research?



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# There is a lot of research already done!



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!