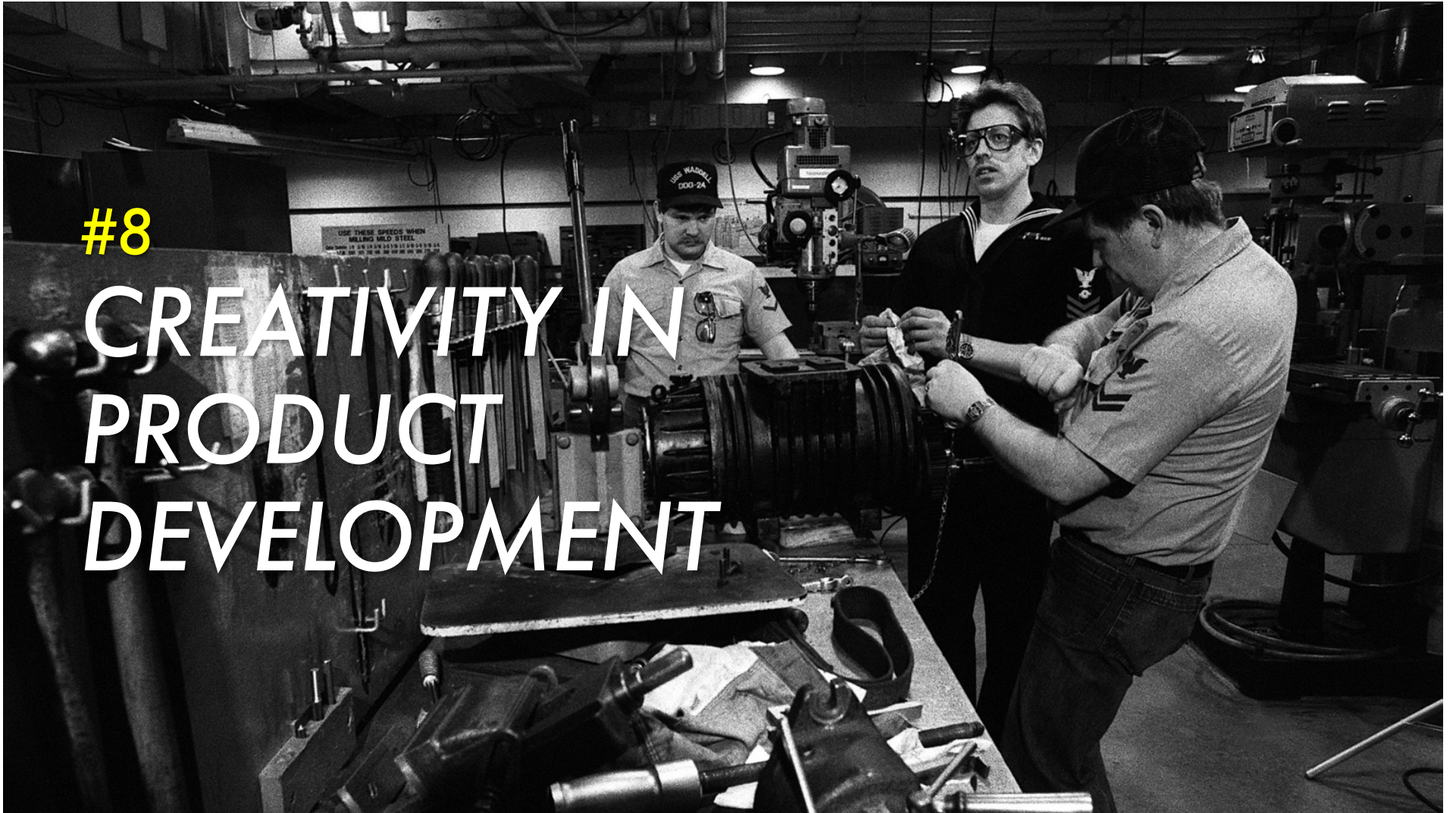
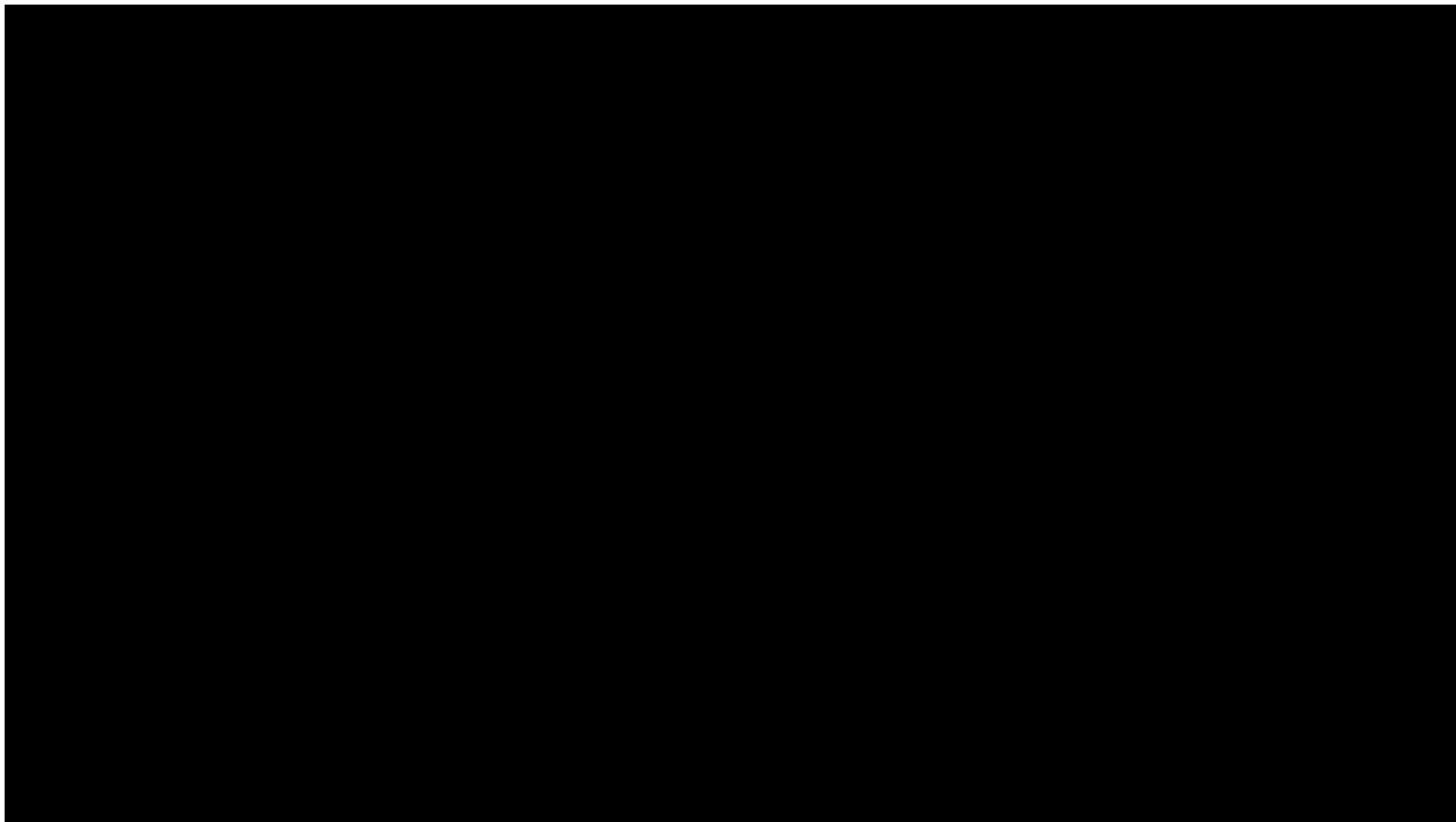


#8

CREATIVITY IN PRODUCT DEVELOPMENT





CUSTOMERS

An Anthropologist Walks into a Bar...

by Christian Madsbjerg and Mikkel B. Rasmussen
FROM THE MARCH 2014 ISSUE

SUMMARY SAVE SHARE COMMENT H TEXT SIZE PRINT

In 2006 a major European brewing company we'll call BeerCo was faced with falling bar and pub sales and, despite muscular market research and competitive analysis, couldn't figure out why. Customers liked its core product, a standard lager, and store sales were up. But something wasn't clicking in bars, and aggressive promotions weren't helping. What was wrong?

Having exhausted conventional research approaches, BeerCo commissioned a team of social anthropologists to visit a dozen bars in the UK and Finland to find out. The anthropologists approached the project as if they were studying an unfamiliar tribe in Borneo. They immersed themselves in the life of the bars, simply observing the owners, staff, and regulars without any hypothesis about what they might find. They returned with 150 hours of ethnographic video, several thousand still photographs, and hundreds of pages of field notes. Over the ensuing weeks a team of managers from BeerCo sifted through the raw data together with the anthropologists, searching for themes.

In time, patterns emerged. Although BeerCo had thought that bar owners valued its promotional materials—coasters, stickers, T-shirts, and so on—in fact those items were at best underused, at worst treated with derision (in one bar, a researcher found them crammed inside a cupboard and labeled “box of crap”). The team also discovered that female servers felt trapped in their jobs and resented having to be flirtatious, an experience they referred to as being “hot pantsed.” What's more, they knew very little about BeerCo's products and didn't

CHRISTIAN MADSBJERG / MIKKEL B. RASMUSSEN

USING THE HUMAN SCIENCES TO SOLVE
YOUR TOUGHEST BUSINESS PROBLEMS

THE MOMENT OF CLARITY

HARVARD BUSINESS REVIEW PRESS

MARKET RESEARCH

Big Data Is Only Half the Data Marketers Need

by Mikkel B. Rasmussen and Andreas W. Hansen
NOVEMBER 16, 2015

SAVE SHARE COMMENT H TEXT SIZE PRINT \$8.95 BUY COPIES



For marketers, truly valuable customer data comes in two forms: thick data and big data. Thick data is generated by ethnographers, anthropologists, and others adept at observing human behavior and its underlying motivations. Big data is generated by the millions of touchpoints companies have with customers. To date, thick data and big data have been promoted and employed by very different people. Thick data has been handled by companies grounded in the social sciences. Big data has been promoted by people with analytics degrees, often sitting in corporate IT functions. There has been very little dialogue between the two.

This is unfortunate. Combining the two approaches can solve many of the problems that each category of data faces on its own. Thick data's strength comes from its ability to establish hypotheses about why people behave as they do. It cannot help answer questions of “how much,” only “why.” Big Data has the advantage of being largely unassailable because it is generated by the entire customer population rather than a smaller sample size. But it can only quantify human behavior, it cannot explain its motivations. That is to say, it cannot arrive at a “why.”

LEGO®

THE SENSEMAKING PROCESS

- 1. Frame the problem as a phenomenon**
- 2. Collect the data**
- 3. Look for patterns**
- 4. Create the insights**
- 5. Build the business impact**

1. FRAME THE PROBLEM AS A PHENOMENON

- “What is the role of play”
- Children’s time compression: playdates, “early academics”, more screen time meant less time for play
- Also: “plug and play” toys hit the market

2. COLLECT THE DATA

- Participatory observation, interviews, object studies, narratives, card sorting, diaries, videos

The process was very different for us. Usually we would just look at the trends and develop our products and then show them to the kids in focus groups. It was always centered around this idea of, “Hey, so how cool is that . . . ?” Or, “Is this cooler than that?” Then we would wait to see what the kids would say.

It’s very different when you visit people in their homes. In focus groups, ten moms are sitting around in a circle in some generic space, and there is inevitably some kind of competition. There is some pressure to say what they think they are supposed to say, or not say. In a home, you get much closer to the real truth. You see more of what is happening and not what they wish or hope to project. You see that the toys are everywhere and it’s a mess.

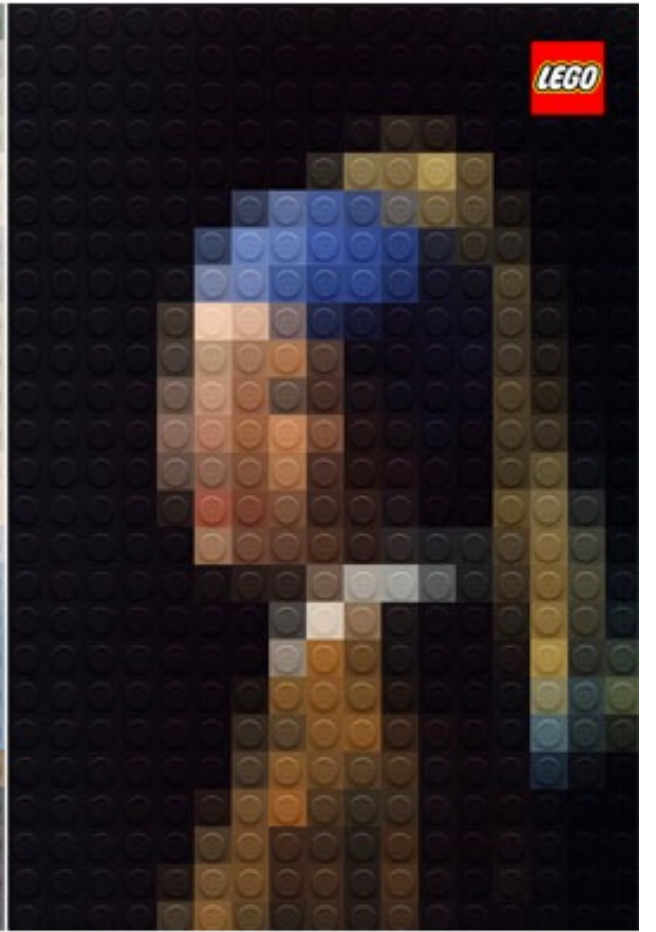
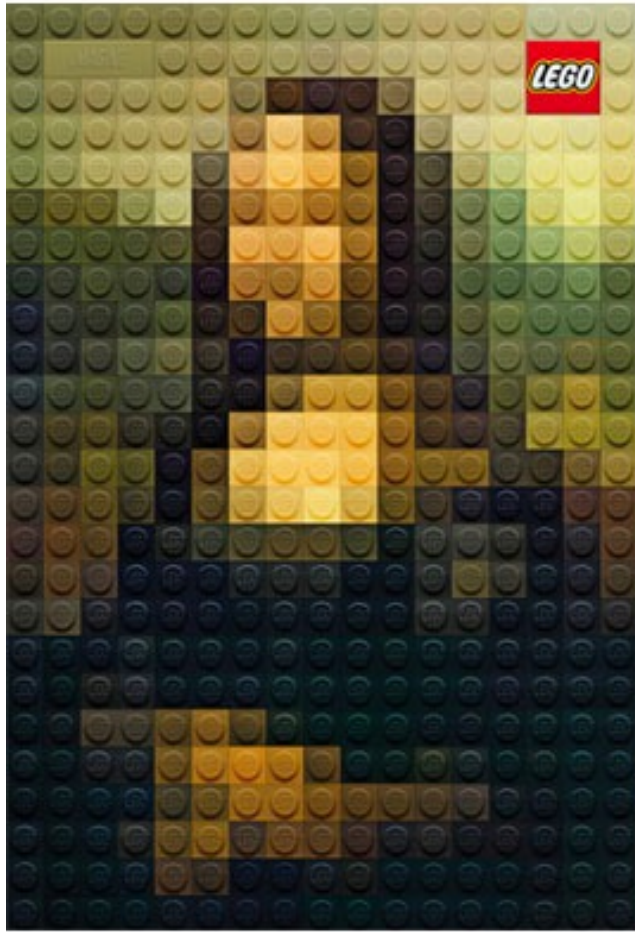
3. LOOK FOR PATTERNS

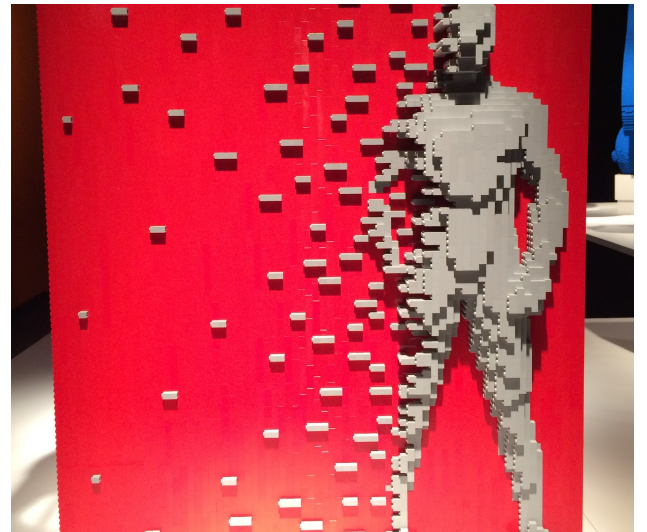
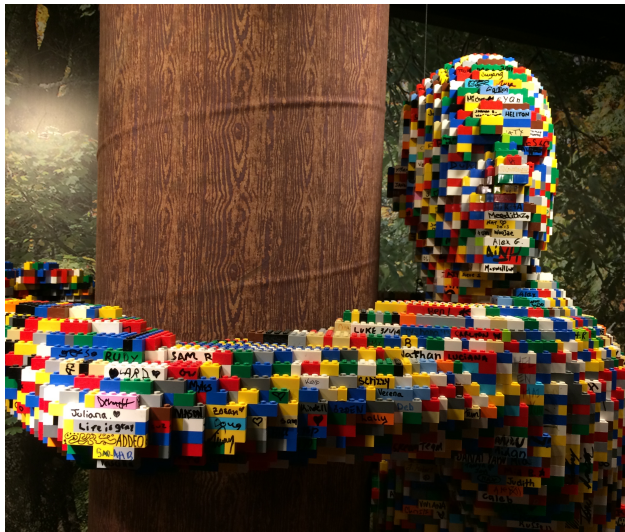
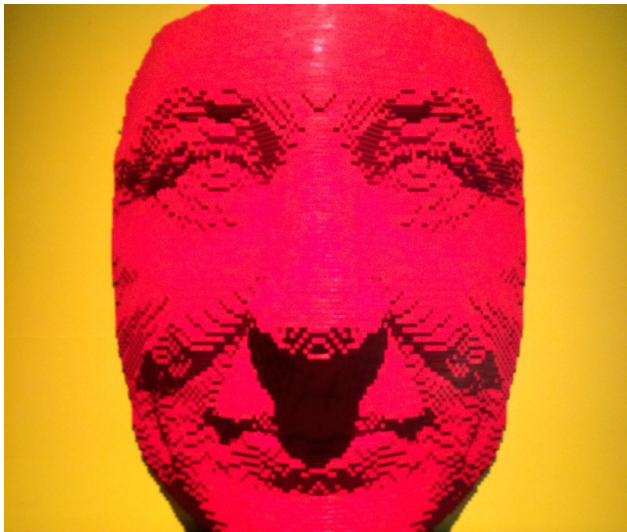
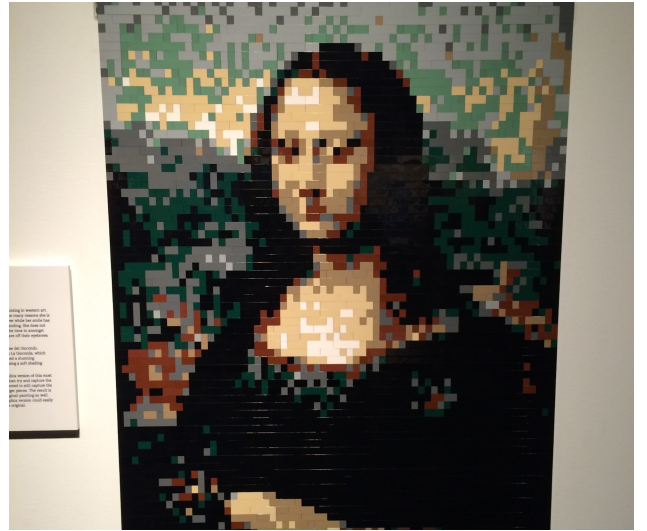
- Iterative process of “testing” emergent observations
- “is this really supported by the data?”
- Lego observations of children rebelling against parental control, shrinking of play space
- “Pockets of oxygen”
- “Understanding hierarchy”
- “Instant traction versus paying your dues”

4. *CREATE THE INSIGHTS*

- “You solve the problem at the core of the insight”
- Lego: reconnect with children who want to achieve mastery through play
- “Inspiring the builders of tomorrow”
- Adult fan outreach (AFOL)







REMINDER:

**"THE BETTER
MOUSETRAP" FALLACY**

- “early knowledge of results”
- “accuracy”
- “ease of use”
- “clarity”



THE CULTURAL ORTHODOXY

- Most pregnancy tests displayed a cold, medicinal, and judgemental tone towards women and pregnancies
- “Patriarchal Medicine”
- Opportunity: positioning the product as non-judgemental or even celebratory of sex





PRODUCT POSITIONING

- **CATEGORY MEMBERSHIP**

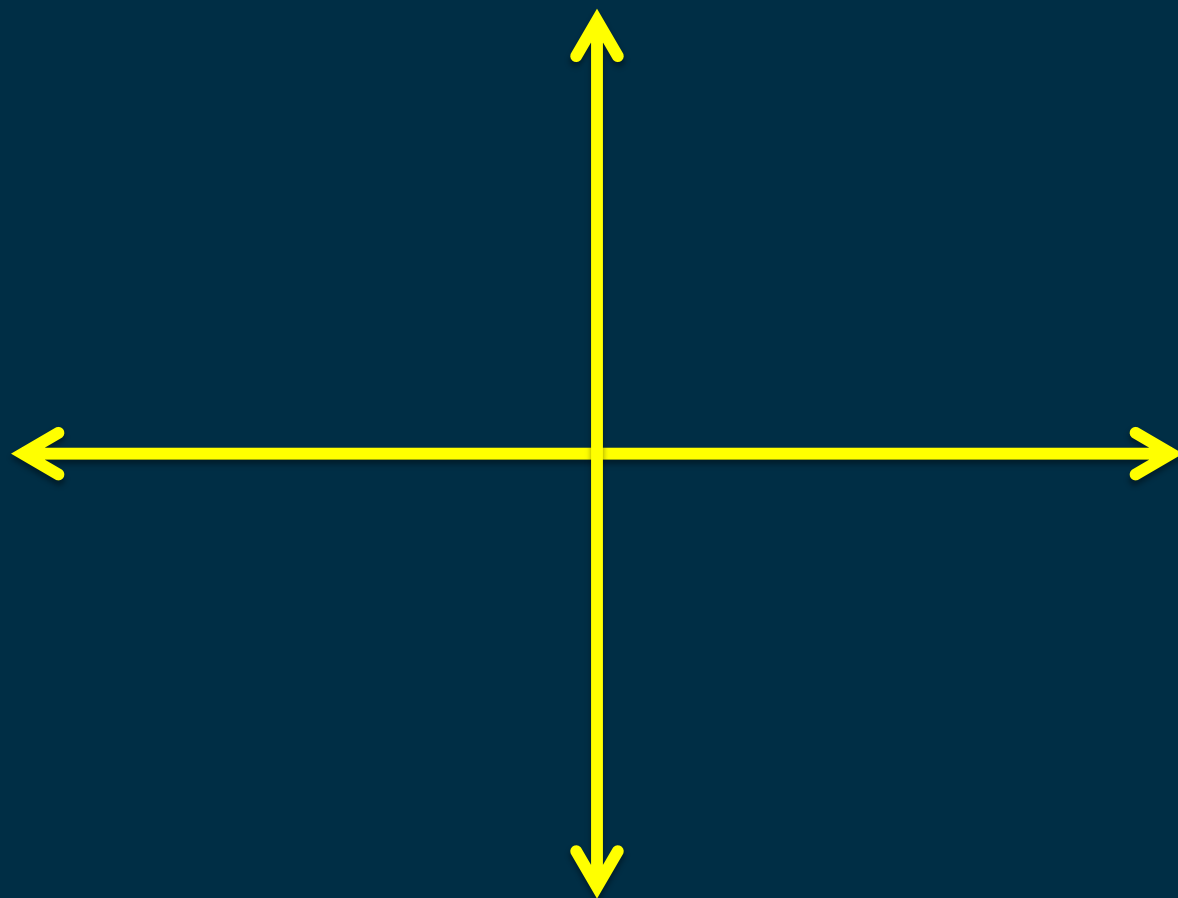
- To which product category an offering belongs where competing offering act as close substitutes → **competitor positions**

- **POINTS OF PARITY AND POINTS OF DIFFERENCE**

- Consumers typically assess products based on the most important product attributes
- **Your competitive advantage** → benefit

- **USING POSITIONAL MAPS**

- A visual representation of how brands are perceived (f.ex. quality, usability, design)

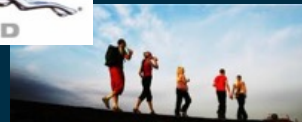


POSITIONING MAPS

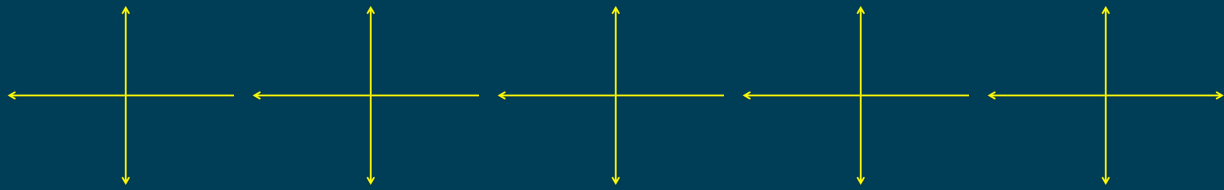
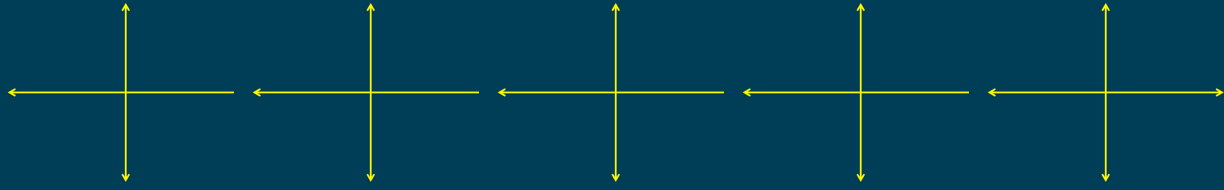
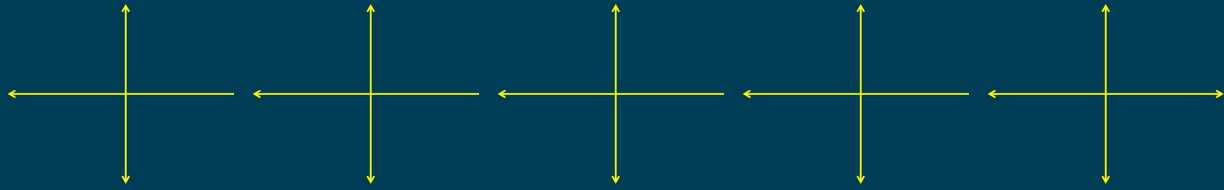


Expensive
Luxurious

Travel time



Cheap Practical



FOR THE REST OF THE CLASS

1. Grab a sheet (yes, again)
2. Draw up at least 15 positioning maps within your problem, for multiple products / services / "things" if necessary (think broadly)
3. Once done, figure out which of them are the most 'commodified' and easily copied features within your market and which are not
4. Figure out how within your market contexts could make copying more difficult by:
 1. Creating a more unique brand positioning (by for example turning the "taken for granted elements" on its head (i.e. "Lemon"))
 2. Introducing more service or human interaction elements
 3. Difficult to copy technological innovation