

Immersive market research

This month, Professor Hugh Wilson and Dr Emma Macdonald describe when and how to use immersive techniques for understanding customers

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Immersive research techniques allow researchers to capture behaviours, emotions and cognitive perceptions of individuals in context at the moment where the individual experiences them. They are needed when one or more of the following conditions is met.

- When you need to understand the customer's use situation. When do customers use our products and services? How do they use them? What's going on around them at the time?
- When you are divorced from the customer's world. Marketing is easy when you yourself are in your target segment. When you're not – if you're addressing a different demographic, for example – immersive research can be valuable for building an intuitive understanding of the day-to-day world, and world view, of your customers.
- When you need ideas from your customers. There's nothing wrong with asking brand enthusiasts to submit new product ideas, like Nokia's Design By Community 2010 exercise. But recent academic research suggests that the most actionable ideas come not from these satisfied, innovative customers but from the frustrations of average users in their everyday lives.



Disney: research showed it hadn't considered the needs of blended families

- When customers are integrating multiple resources to do their job. Surveys are good at picking up dissatisfaction with the firm's direct touchpoints, but when the customer is combining what the firm provides with resources from friends, family or other providers, it's easy to miss out on valuable insights. For instance, a ferry company discovered all sorts of opportunities for optimising the journey on either side of the ferry trip which had been entirely missed by the firm's previous surveys.
- When retrospective methods are inadequate. Humans tend to view past experiences through rose-coloured spectacles, and we rapidly forget the detail. Ethnographic work in Disney-world revealed a simple but

crucial insight: that while the theme park was well designed to meet the individual goals of parents and children of all ages, their collective goals had not been considered. A new family with children from prior relationships, for example, might have a collective goal of bringing the family together. This meant a redesign of space and time was needed. There are three types of immersive research:

ETHNOGRAPHY

Ethnography involves spending time with your customer immersed in their daily life. It can cover just a part of the customer journey, as in mystery shopping, through to the complete customer experience.

Procter & Gamble stands or falls by getting its product development right, so insight is crucial. Just as the FMCG giant had the first professional market research department, it has led the way in immersive research. A Mexican failure in the late 1980s was instructive. Its Ariel Ultra laundry detergent 'should' have worked: surveys confirmed that women appreciated the benefits of its concentrated formula in both use of limited storage space and price effectiveness. But it didn't foam, so housewives washing by hand didn't believe it was cleaning. And, in practice, they didn't believe that so little detergent would work.

Things were different after P&G concluded that the predominantly well-educated, upper demographic employees should spend time living with lower-income families, in their 'Living it' programme. The Downy fabric softener launch in 2004, for example, was a major success. Its concept arose from the simple insight that a major problem for lower-income women was water. Often in short supply and sometimes carried by hand, the average wash took six manual steps: wash, rinse twice, add softener, and rinse twice more. Downy reduced this to three: wash, add softener, and rinse. This was a major benefit to the appearance of proud but seriously stretched Mexican women. The strengths of ethnographic

approaches include the 360-degree view of the customer experience, the picking up of unmet needs, and the observation of unintended uses of products and services which may equally lead to new product ideas. Weaknesses include the sometimes prohibitive cost, the danger of reaching conclusions from a small number of cases which may not be representative, and the impact on the customer's behaviour of invading their space.

NETNOGRAPHY

Netnography is online ethnography: immersion in the customers' world through online spaces. It involves largely textual analysis of content in consumer forums and/or blogs. Research may take the form of participant observation where consumers know they are being observed, or it may involve 'lurking' in forums or analysis of archival material. Appropriate sites for netnography range from brand-owned communities such as P&G's SuperSavvyMe.com to third-party websites such as consumer-driven sites like MacRumors.com.

Dr Neil Hair of Rochester Institute of Technology conducted participant observation netnography for a Premiership football club over several months on its discussion board. After a while, fans opened up:

"I'm housebound with a long-term illness. This board truly is my lifeline. There's often days I'm too ill to type, but just reading the posts in bed makes me feel less abnormal and alone. I'm so desperate to go to the ground it hurts, but speaking to people on here who go is the next best thing."

What supporters got out of it was far too implicit to emerge

FURTHER READING ON WARC.COM

P&G Adapts in Emerging Markets, *WARC News*, 2011

Digital Anthropology, *Ray Pettit. Journal of Advertising Research*, 2010

The Ethical Dilemmas and Challenges of Ethnographic Research in Online Communities, *Neil Hair and Moira Clark, International Journal of Market Research*, 2007

Capturing How a Catchphrase Caught On, *Ana Medeiros and Fiona Blades. MRS Annual Conference 2008*

OTHER RECOMMENDED READING

The Game-Changer, *A F Lafley and R Charan, Crown Business*, 2008

readily in a focus group, but over time, the researcher could unpack it: release, fun, friendship, a sense of belonging, self-esteem and escape. Armed with this insight, the club could optimise these dimensions of value both online and offline. It introduced a meeting point at the ground, for example, to connect fans who had met online.

The strengths of netnography include the readily available, rich data, with no interview transcription costs. Also, customer-to-customer interactions can be observed far more readily online than in most offline settings. Weaknesses include the bias from sampling only the subset of the target market who participate actively online, and the social desirability bias of participants reporting what they might imagine others want to hear.

PARTICIPANT REPORTING

An alternative to both of these is to ask the customer to do the research on the firm's behalf. Traditionally carried out by asking the customer to fill in a

paper diary, variations include research agency Mesh Planning's innovative TROI (Touchpoint Return On Investment) method, in which a panel of consumers sends a structured text message whenever they encounter the brand. Whatever the technology, the aim is to capture the customer's experience as it occurs, without the need for a researcher to be with them.

Why was a campaign for Lynx (known in some countries as Axe) working perfectly in countries such as Poland but not in Italy? Unilever found out fast using the TROI method. By capturing every brand contact from marcoms and word-of-mouth to usage as it occurred, they were able to spot the difference.

While young Italians loved the TV ads just as much as the Poles, in Poland this was followed up by effective local activation, from shop window posters and in-store displays to sampling on the street. This bridged the gap between the TV ad at home and a purchase opportunity.

Conventional media evaluation would have missed this insight.

The strengths of participant

reporting include its holistic coverage of the complete customer journey, and the mix of qualitative and quantitative insight it can provide, allowing statistical analysis of which experiences are most influential. Weaknesses include the difficulty in estimating the mere measurement effect on the respondent of the act of participating in the study – a control group can help here – and the need to motivate study participants.

SUMMARY

Surveys and focus groups are invaluable, but there are many parts of the customer journey which they find difficult to reach, and they are stronger at assessing customer reactions to the firm's current products and services than they are at understanding the context within which these products are applied. Immersive techniques have become a vital part of the insight toolbox.

As these methods are holistic, the insights will be wide-reaching in their implications, so actioning this insight requires the involvement of a wide range of stakeholders – operations and service as well as marketing.

But even better can be to involve senior managers directly in the research, as happens at Proctor & Gamble, and at Sainsbury's where the supermarket giant keeps its customer experience up by asking board directors to spend time every month working in the store and accompanying customers shopping. Such direct immersion is worth any number of market research reports.

 more on immersive market research at www.warc.com