



MK 312 Brand Management

Customer Insight Tools and Techniques

OVERVIEW

Session 3

By Ajarn Suwalya K.

Let's Review

Customer Insight Tools and Techniques

Let's
Recap



Marketing Information and Customer Insights

Customer insights are fresh marketing information-based understandings of customers and the marketplace that become the basis for creating customer value, engagement, and relationships.



● **Consumer insights:** PepsiCo's "consumer insights teams" wring actionable insights out of the glut of marketing data. They have even developed a consumer insights app to share custom-designed content with brand decision makers.

PepsiCo

Marketing Information and Customer Insights

Customer insights

- **Fresh and deep insights** into customer needs and wants
- Important but difficult to obtain
 - Needs and **buying motives** not obvious
 - Customers usually can't tell you what and why
- Better information and more effective use of existing information

Marketing Information and Customer Insights

Managing Marketing Information

- Companies are forming **customer insights teams**
 - Include all company functional areas
 - Collect information from a wide variety of sources
 - Use insights to create more value for their customers



Marketing Information and Customer Insights

Managing Marketing Information

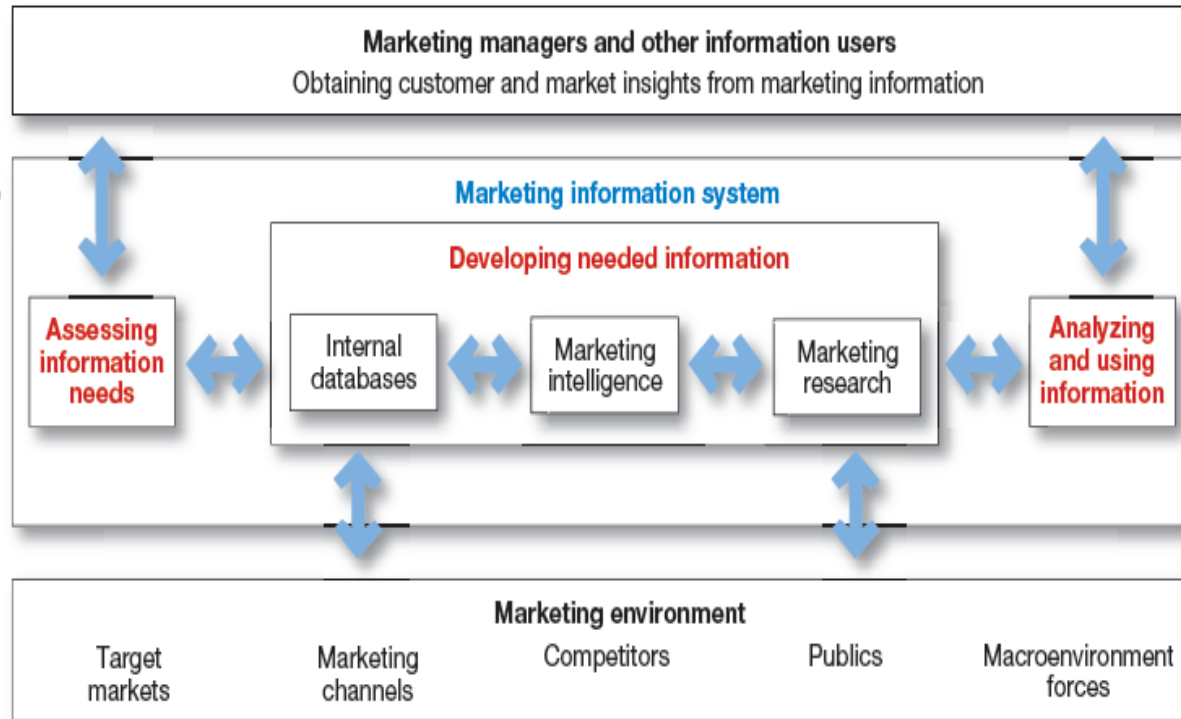
Marketing information system (MIS) refers to the people and procedures **dedicated to assessing** information needs, developing the needed information, and helping decision makers to use the information to generate and validate actionable customer and market insights.



Marketing Information and Customer Insights

● FIGURE | 4.1
The Marketing Information System

This chapter is all about managing marketing information to gain customer insights. And this important figure organizes the entire chapter. Marketers start by assessing user information needs. Then they develop the needed information using internal data, marketing intelligence, and marketing research processes. Finally, they make the information available to users in the right form at the right time.



Marketing Research

Marketing research is the **systematic design, collection, analysis, and reporting** of data relevant to a specific marketing situation facing an organization.

Marketing Research

Developing the Research Plan

Secondary data is information that already exists somewhere, having been collected for another purpose.

Primary data is information collected for the specific purpose at hand.

Marketing Research

Gathering Secondary Data

Advantages

Lower cost

Obtained quickly

Cannot collect
otherwise

Disadvantages

- data may not be

Relevant

Accurate

Current

Impartial

Marketing Research

● **Table 4.1 | Planning Primary Data Collection**

Research Approaches	Contact Methods	Sampling Plan	Research Instruments
Observation	Mail	Sampling unit	Questionnaire
Survey	Telephone	Sample size	Mechanical instruments
Experiment	Personal Online	Sampling procedure	

Marketing Research

Primary Data Collection

Research Approaches

- **Observational research** involves gathering primary data by observing relevant people, actions, and situations.
- **Ethnographic research** involves sending trained observers to watch and interact with consumers in their “natural environments.”



Marketing Research

Fly on the Wall

This is a method we use in public and semi-public spaces to observe how people interact with a product or system, as well as with others in the environment. Fly on the wall is "pure" observation, since people generally are not aware they are being observed.



Marketing Research

Primary Data Collection

Research Approaches

- **Survey research** involves gathering primary data by asking people questions about their knowledge, attitudes, preferences, and buying behavior.
- **Experimental research** involves gathering primary data by selecting matched groups of subjects, giving them different treatments, controlling related factors, and checking for differences in group responses.

Marketing Research

Focus Group—Personal Contact Method

- Six to 10 people
- Trained moderator
- Challenges
 - Expensive
 - Difficult to generalize from small group
 - Consumers not always open and honest



● New focus group designs: The Mom Complex uses “Mom Immersion Sessions” to help brand marketers understand and connect directly with their “mom customers” on important brand issues.

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Marketing Research

Online Contact Methods

Advantages

- Low cost
- Speed
- Higher response rates
- Good for hard to reach groups

Qualitative Research Methods



Factors to Consider:

- Time / budget;
- How the research results will be used;
- Product / service tangibility;
- Research goals & objectives;
- Participant availability and willingness;
- Desired analysis sophistication;
- Whether quantitative research follows.

Focus Groups

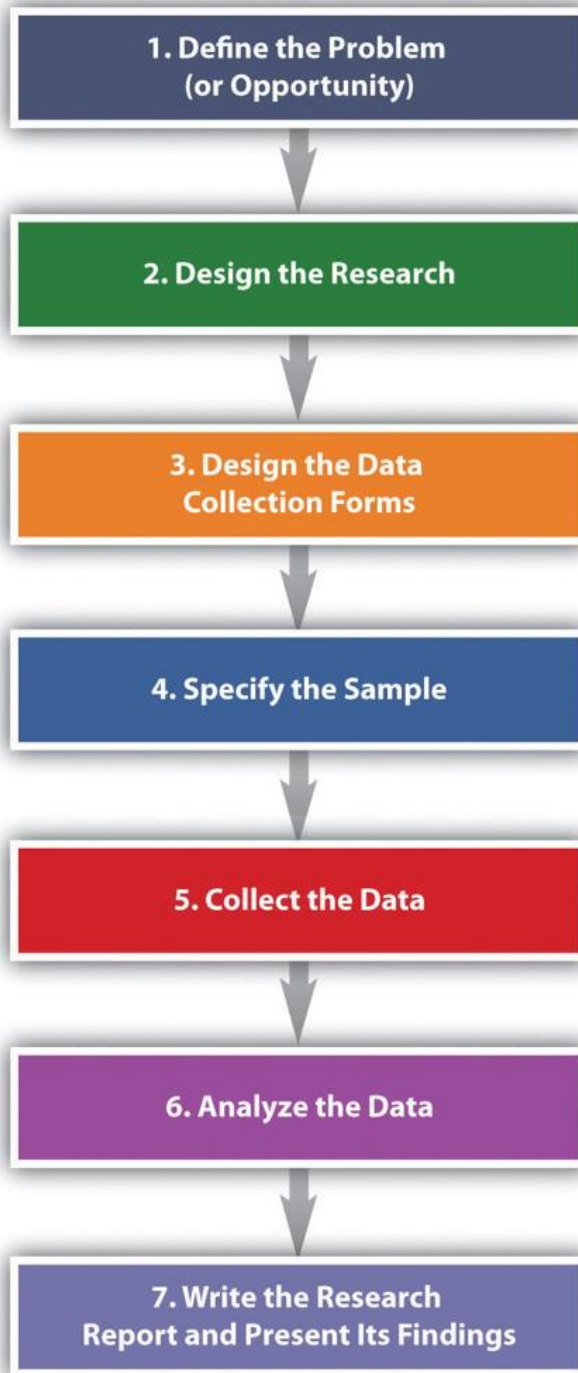
Interviews

Observation

Concept Testing

Perceptual Mapping





MK 312 Research Guideline Examples



FOCUS GROUP DISCUSSION



Focus group interviews

- It is an unstructured, free-flowing interview with a small group of people.
- The group meets at a central location with a moderator who encourages discussion of a brand, advertisement, or new-product concept.
- Allow people to discuss their true feelings, anxieties, and frustrations in their own words.

Purpose of a focus group discussion

- To promote self-disclosure among participants
- To obtain in-depth information on concepts, perceptions and ideas of a group
- While primarily a group interview technique, the observations of interactions among group members are considered a major part of the data collection



Conducting a Focus Group

Focus Group Flow

- Decide on the key focus group objectives;
- Use secondary research to hone questions;
- Select focus group facility and participants;
- begin recruiting after deciding on participant incentives;
- Select a moderator;
- Develop a moderator (discussion) guide to chart flow of group;
- Conduct the focus group - generally about two hours;
- Review the video tape and analyze the results;
- Prepare a written report.



**Moderator
Analyses
Results**



Pros and Cons of Focus Groups



- Candor of participants;
- Looks the customer “in the eye”;
- Generates fresh ideas and brainstorming;
- Allows client to observe and comment onsite;
- Can be executed quickly;
- Can enhance other data collection methods;
- Participants provide valuable information useable for the next research phase.

Pros:

- Expense and time;
- A significant level of expertise is needed;
- Participation issues - “no shows”;
- The interpretation is subjective;
- Often misused as representative the population.

Cons:

Conducting a Focus Group

The Participants:

- Selection process:
 - Potential opinion leaders are best
 - Participants must be screened for relevance to the topic

The Location:

- A focus group facility - A research facility consisting of a conference room or living room setting and a separate observation room with a one-way mirror or live audiovisual feed.

The Moderator:

- A person hired by the client to lead the focus group; this person should have a background in psychology or sociology or, at least, marketing.
- Create moderator's guide to include:
 - *Timetable for each topic , clear goals/questions to be answered*
 - *Strategy for keeping group on task / focused*
 - *Managing the group dynamics is critical*



Key
Issues:

Research Design: Questionnaire

Rationale:

The key objective of this questionnaire is to understand consumer awareness, behavior and perception towards the brand and their acceptance at different price points. This questionnaire shall be conducted outside stores in high traffic areas. The method will provide a representative sample of the population (Malhotra, 2007:296-322 & Williamson et al., 2000: 235-249).

The criteria for respondents:

Aged 18 – 50

Athlete / Athletic Participant / Consumer

Length of interviews

Approximately 15 minutes

Recruitment

As customers exits store

Questionnaire screens respondents to ensure suitability

Hong Kong / Shanghai /Sydney	
Total sample size Male & Female	N=300
Sample composition	
Age 18 – 29	N=100 in each age group (M x 50 / F x 50)
Age 30 - 39	
Age 40 - 50	

Sample attached as an appendix

BACKGROUND & OBJECTIVES

Focus of this research study

Every year, Americans eat 12 pounds of chocolate per person on average and spend \$ 13 billion on it. The goal of this research is to optimize the launch of the brand CREAMY Chocolate Balls, especially among Consumer Expectations X Price X Place to sell it. More specifically, the objectives are to:

Research goals & Objectives

- Determine the key habits of chocolate consumption, such as, place to eat and occasion to buy it for
- Determine product price range
- Determine ideal places to sell the product



KEY QUESTIONS

EXCLUSION QUESTION: Do you buy/eat chocolate?

- **How often do you eat chocolate?**
 - What kind of special chocolate do you prefer?
 - When do you like to eat chocolate? (In what occasion?)
 - What do you think about our product?
- **How much would you be willing to pay in a premium chocolate?**
 - How much is the lowest price expected to pay in our product? Why?
 - How much is the highest you would pay in our product? Why?
- **What is your favorite place to buy chocolate?**
 - Where is the most frequent place that you buy chocolate?
 - Where do you think our product would sell successfully?



PRIMARY INFORMATION

Specific findings about our product

- When tasting the product, the group reacted in various ways such as: "it tastes like caramel," "the taste is not very strong," "tastes like milk, not chocolate"
- When asked whether they liked or disliked the product, answers varied: "I prefer it more solid" (two), "I find it pretty", "it looks like an expensive chocolate", "size is perfect," "I think it would look great with ice cream"
- Regarding places of sale, the group responded citing places such as Walgreens, CVS, Restaurants, Coffee Shops, Chocolate Places and Gas Stations
- Similar products to CREAMY cited were: Ferrero Rocher and Cadbury.
- The group imagines the product being sold in the price range of \$0.25 to \$1.50
- Everyone said that the product looks more like a candy than a chocolate



OBJECTIVES

- To determine the awareness level of the soap brands
- To identify perception of the consumers
- To identify various factors affecting purchases
- To determine effects of product ingredients on the consumer
- To study consumer buying behaviors
- To determine preference of the consumers

WHEN SHOULD WE USE FOCUS GROUPS?

WE SHOULD DO FOCUS GROUPS

HOW CAN WE ESTIMATE MARKET SIZE FROM FOCUS GROUPS? SHOULDN'T WE USE QUANTITATIVE RESEARCH FOR THAT?

THE PRODUCT TEAM WANTS TO ESTIMATE THE MARKET SIZE FOR THE NEW PRODUCT



WE CAN COUNT HOW MANY PARTICIPANTS LIKE THE PRODUCT, AND ADD THE NUMBER OF PEOPLE IN THEIR LINKEDIN, FACEBOOK AND TWITTER SOCIAL NETWORKS...I BET THEIR FRIEND ALSO LIKE THE PRODUCT...THIS WILL GIVE US THE SIZE OF THE MARKET

Wrong use of focus groups

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Focus Group Copy Testing 1

“Trust the Colonel” Campaign

Introduction

How often do you see advertisements in print or on television for KFC?

- Many people agreed that they were regularly exposed to KFC advertisements.
- Everyone said that they saw mostly television advertisements, and most participants could not recall ever seeing a print advertisement for KFC.
- The commercial most participants could recall was the KFC “Chef in Every Kitchen” ad.

How do you feel about these ads?

- The groups felt that these commercials did not make KFC look good because they are known for having greasy fried chicken.
- A few people agreed that KFC’s television ads were memorable, but less effective than other fast food restaurant campaigns.
- Everyone agreed that KFC commercials tend to be more geared towards family meals, rather than college students.
- Some participants felt that the commercials were a lie, claiming they have never seen a “chef” in uniform at a KFC, and that the food never looks as appetizing when you buy it as it does on television.

Do these ads seem to represent KFC in a positive light?

- Many people agreed that the KFC ads do represent KFC in a positive light, because they put in their commercials only what they have to offer.
- Other disagreed saying that it appears like KFC is trying to represent themselves in a positive light, but their bad brand image is not helping their cause.

After seeing any of KFC’s ads, have you ever been persuaded to actually go to KFC?

- The groups were pretty split between yes and no. The people who said no claimed it was because they still have an unhealthy perception of KFC. The people who said yes claimed the only problem with going to KFC after seeing the ads was that their location was too far away.

Headline

Focus Group Copy Testing 2

'Heavyweights' Campaign

Introduction

How often do you see advertisements in print or on television for KFC?

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- Everyone said that they saw mostly television advertisements, and most participants could not recall ever seeing a print advertisement for KFC.
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Marketing Research

Focus Groups

Objectives:

- Generate new product or service ideas
- Understand consumer vocabulary
 - *Useful for ad campaigns*
- Reveal consumer needs, motives, perceptions and attitudes,
 - *Generating future research objectives*
- Facilitate understanding of the quantitative studies



Bangor Transfer Abroad Programme

Focus Group Discussions

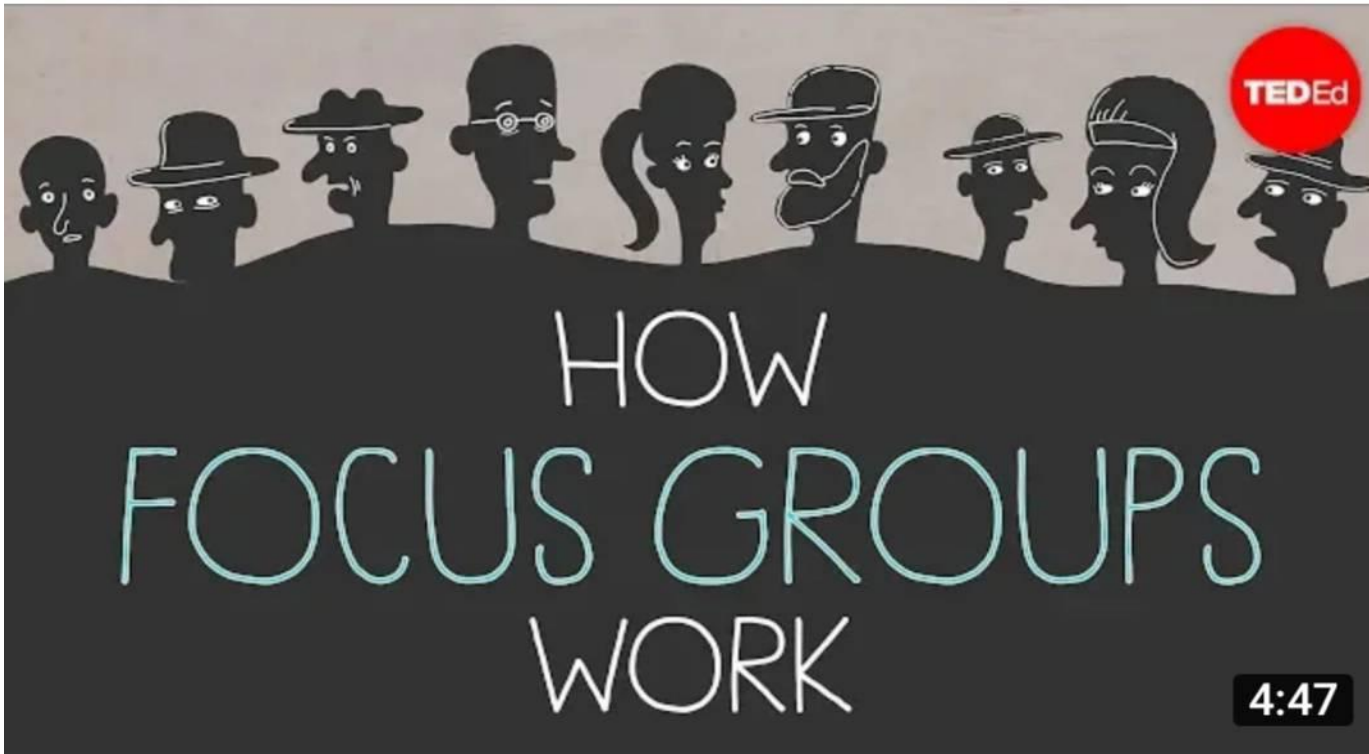
Advantages

1. **Synergism.** When a group of people with similar interests discuss an issue together, they are likely to produce a richer insight, wider range of information, and innovative ideas than will individual responses obtained privately.
2. **Snowballing.** In a group discussion, one person's comment often triggers a chain reaction from the other participants and generates more views.
3. **Stimulation.** Once the focus group discussion is underway, general level of excitement over the topic increases, and a large number of respondents want to express their ideas and expose their feelings.

Ground Rules

- Express ideas clearly & concisely.
- Listen to what others say.
- Do not interrupt when others are speaking.
- Make only relevant remarks.
- Accept criticism gracefully.
- Help to reach conclusions.





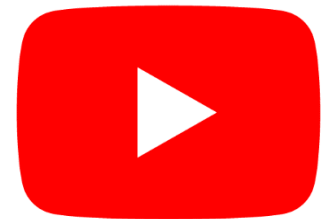
How do focus groups work? - Hector Lanz ⋮

TED-Ed · 674K views · 5 years ago



The Focus Group | How...

3 key moments ▾



RESEARCH AIM, OBJECTIVES AND QUESTIONS

Simple Guidelines

RESEARCH...simple ...

- **Research Aim:** What do we want to find from this research?



- **Research Objectives:** What ways can we achieve our aim?



- **Research Questions:** What questions to ask consumers to achieve our objectives? (open ended questions)



Research Aim: What insights we want to find from this research?

EXAMPLE OF AIM: To launch fashion products the meet the needs of Thais Gen Z



Research Objectives: What ways can we achieve the aim?

Research Aim: To launch fashion products that meet the needs of Thai Gen Z



Research Objectives:

Example: 1. To identify Gen Z shopping habits

2. To find what types of fashion influences Gen Z

3. What is the lifestyle of Gen Z



Research Questions: What questions to ask to achieve our objectives?

Research Objective: To identify Gen Z shopping habits



Research Questions:

1. Where do you normally shop?
2. When you shop what promotions do you look for?
3. What type of clothing and accessories do you normally buy?
4. When you go shopping do you go alone or with your friends, who do you go with?
5. How much do you spend when you go out shopping?

Let's conduct Focus Group Simulation !



He said, she said...

RESEARCH...simple ...

- **Research Aim:** What do we want to find from this research?



- **Research Objectives:** What ways can we achieve our aim?



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**"The Focus Group" | 2022 Toyota GR86
Commercial | Toyota**

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