



Bachelor of Economics  
**THAMMASAT UNIVERSITY**

**MK202 Fundamentals of Marketing**

**Facebook Group: BE Marketing 2012**

## **Qualitative market research**

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**Title: Qualitative Market Research**  
*Captivating Consumers*  
 >> Sight, Sound and Soul (SSS)

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**Why do we need market research?**

A systematic process to obtain valid information about markets and consumers, through interpretation of **qualitative and quantitative** data, used to improve firm's decision making and to gain a competitive advantage

**When Should I Use Qualitative vs. Quantitative Research?**  
 by Jeff Shusterman

the **60second** marketer

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**Quantitative market research**

> Involve very large random samples, or scientifically stratified samples, and focus on answers to objective questions, as in surveys, or observations of actual behaviors, such as number of clicks on a web site.

> Aim to be generalizable through statistical techniques.

**Positive:** Use for estimating the size of a market, predicting the percentage of consumers who will have certain attitudes or opinions, and so on.

**Negative:** Squeeze the consumer's minds into a box, compared to more open-ended approaches. It can tell you that a certain percentage of consumers like or dislike a certain product features. But what about the reasons you might not have thought to put on the check list?

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## Qualitative market research

> Involve a small size of respondents and focus on expressions of ideas, opinions and feelings toward products / services in terms of what they have to offer. A deep understanding of the consumer can lead to fundamental insights that impact product design, product positioning, advertising execution, etc.

> Methodologies include focus groups, one-on-one in-depth interviews, ethnographic studies, telephone interviews, blogs and web boards

**Positive:** Allow insight into the world of the consumer in the consumer's own language and terms.

**Negative:** Much dependent on skills of the researcher and the sample cannot be generalizable. Focus groups, for example, are not good for estimating market size.

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## Market research process



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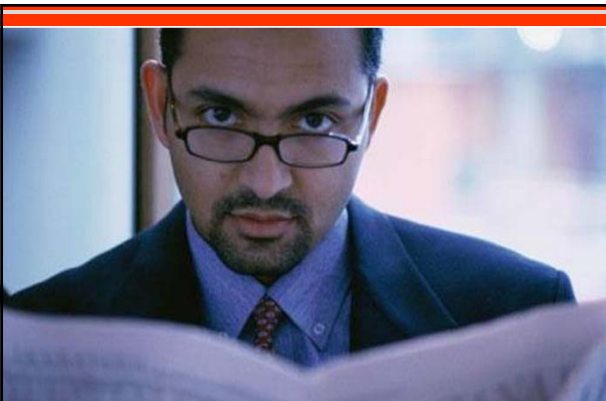
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"The secret of success is to know something nobody else [competitors & consumers] knows."

Aristotle Onassis

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**Get this straight: Fact or insight?**

A **FACT** is an observation of some reality about the brand or medium or consumer:

- Answers the **"what"**
- Not about **understanding**; it's something that **"just IS"**
- Valuable to know, but a starting point, **not** an ending point

An **INSIGHT** explains the underlying dynamic:

- Starts with "the facts" – the "what"
- Pushes deeper for understanding of the **"how and why"**
- Articulates the **reasons for** the underlying bond between the product, medium, and/or consumer
- Helps explain the relationship between consumer, brand, and/or medium in a relevant way
- Enables planners to understand the underlying "truth" and "rule"

WHAT

HOW and WHY



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A way to gain insights >> **qualitative research**

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**Examples of qualitative research applications**

Consumer familiarization

Idea generation

New product development

Positioning studies

Branding studies

Attitude studies

Naming refinement

Advertising development

**Condoms:** A marketer of condoms that had previously targeted heterosexual males wished to expand its market to gays concerned about 'safe sex' practices. **From interviews**, initial reactions indicated that the men did not want to announce their sexual orientation at the drugstore. Then, research discovered specific language and images that spoke subtly to gay males while not making oneself obvious to those outside the target.

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**Examples of qualitative research applications**

- Consumer familiarization
- Idea generation
- New product development
- Positioning studies
- Branding studies
- Attitude studies
- Naming refinement
- Advertising development

**Toilet tissue:** Scott Paper Company believed that toilet tissue users were not satisfied with the results produced by current toilet papers. *From interviews*, respondents helped to develop a hypo-allergenic bath tissue free of inks and fragrances through brainstorming sessions.

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**Examples of qualitative research applications**

- Consumer familiarization
- Idea generation
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**Flavored vodka:** Finlandia, competing in the increasingly crowded market for flavored vodkas, used *individual depth interviews* to explore alternative formulations for its Arctic Cranberry variety. The surprising finding was that its market which tends to skew younger and female preferred a less alcoholic and more rich-flavored formulation. This led to the introduction of a brand that set the pace for new entrants in the category.

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**Examples of qualitative research applications**

- Consumer familiarization
- Idea generation
- New product development
- Positioning studies
- Branding studies
- Attitude studies
- Naming refinement
- Advertising development

**Glassware:** Even though consumers had positive perceptions of the Libbey Glass brand, there were few ways to distinguish the product from competitors. *Focus groups* suggested an effective way - borrowing the image of famous personalities such as Martha Stewart - to suggest that certain entries in the line would be their 'favorite glasses.'

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**Examples of qualitative research applications**

- Consumer familiarization
- Idea generation
- New product development
- Positioning studies
- Branding studies**
- Attitude studies
- Naming refinement
- Advertising development

**Cosmetics:** Helena Rubenstein needed to emerge from associations as grandmother's make-up. **Focus groups** revealed strategies for refreshing the brand, by identifying the brand with a master innovative make-up artists with great appeal to the younger demographic and by introducing the new line through a network of upscale spa boutiques.

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**Examples of qualitative research applications**

- Consumer familiarization
- Idea generation
- New product development
- Positioning studies
- Branding studies
- Attitude studies**
- Naming refinement
- Advertising development

**Airlines:** An airline wanted to measure the overall satisfaction of its flying public. Using a mix of **focus groups and individual depths**, the consultants developed an instrument that could not only measure the various service components, it could also assess how close service came to matching the ideal of customer 'delight.'

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**Examples of qualitative research applications**

- Consumer familiarization
- Idea generation
- New product development
- Positioning studies
- Branding studies
- Attitude studies
- Naming refinement**
- Advertising development

**Furniture:** The Ethan Allen chain of furniture stores had made tremendous progress at revamping its product mix to encompass both contemporary and traditional lines, but its logo seemed to reflect the feeling of conservativeness. Using a mix of **customer observations and individual depths**, the research findings impacted not just the logo design, but also the need for refreshing the chain's storefronts.

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## Examples of qualitative research applications

Consumer familiarization

Idea generation

New product development

Positioning studies

Branding studies

Attitude studies

Naming refinement

Advertising development

**Sports car:** Pontiac needed input to develop advertising for its new Sunfire brand targeted to younger drivers who wanted a sporty car but couldn't afford one. **Focus groups** conducted with prospective buyers aimed to focus on feelings toward Sunfire cars which helped the creative team of Pontiac to position and prepare ads based on insights into customers' lifestyles and aspirations.

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## Arguments against qualitative research

### Usefulness:

It provides a necessary and complementary perspective on **HUMAN VALUE, ATTITUDE, BEHAVIOR**, addressing numerous strategic information needs, such as creative ideation for new product development, conception and evaluation of marketing communication tactics and insights.

### Representativeness:

It aims **NOT** to achieve generalizability or representativeness yet attempts to uncover profound responses from consumers in order to gain insights into their mind.

### Reliability:

It is considered directional only, subject to variations and interpretations. If the types of the focus group members or interviewees are known and controlled to **MEET PARTICULAR CLIENT OBJECTIVES**, small-scale qualitative research would yield more depth and possibly more reliability.

### Time usage:

Manageable, if you know "how to do it." A qualitative research may take longer, if you don't plan well.

- Obtaining and evaluating proposals	1-2	weeks
- Recruitment of participants	3	weeks
- Conducting interviews and focus groups	1-2	weeks
- Preparation of full report, including analysis	3	weeks
<b>Total time</b>	<b>10</b>	<b>weeks</b>




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## Data collection of qualitative research

### Number of interviews and focus groups:

Most studies are effectively conducted with **4, 6 or 8 focus groups for one-to-two hours each or 15-30 individual In-Depth Interviews (IDIs) for 45-60 minutes each**. It is **NOT** recommended to conduct studies with only one or two focus groups or fewer than ten IDIs.

### Sample size of respondents:

It is difficult to determine the precise point at which **"ENOUGH"** respondents are being interviewed. Approximations of the saturation point include when all variations within a segment have been considered or when the investigator has reached **REDUNDANCY** after hearing the same thing from repeated respondents.

### Respondent differentiation:

Structuring a high degree of **homogeneity** within **focus groups** but a high degree of **diversity** for **IDIs**.

- **Age segments**, such as 'younger' vs. 'older'
- **Gender segments**, such as 'men' vs. 'women' vs. 'gays & lesbians'
- **Usage segments**, 'product usage' vs. 'non-usage', or 'customers' vs. 'prospects'
- **Lifestyle and demographic segments**, such as 'working' vs. 'non-working' women, or 'house holds with children' vs. 'households without children'
- **Attitudinal segmentation**, such as 'brand loyalists' vs. 'price shoppers,' fashion conscious' vs. 'non-fashion conscious'
- **Channel usage**, such as 'those who purchase from a website' vs. 'retail stores'
- Any other characteristic that management believes will make a critical difference in purchase or usage dynamics.

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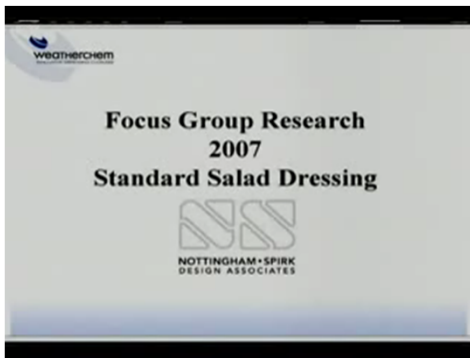
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### Data collection: an example of a focus group



Package usage: A flapper-cap salad dressing product

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### Data collection: an example of a field interview



Package usage: A flapper-cap salad dressing product

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### Data analysis of qualitative research

#### Content analysis:

Content analysis is a research tool widely used to determine the presence of certain words or concepts within texts or sets of texts. Researchers **QUANTIFY** and analyze the presence, meanings and relationships of such words and concepts, then make inferences about the messages within the texts.

#### Example:

Table 1.10 The key factors of luxury-brand consumption

Interview responses	Frequency of responses
<i>Parents' influence</i>	27
<i>Peer pressure</i>	21
Self-image projection	3
Personal preference	2

Note: The italicized responses are the focus of the study. Interpretation of the data connotes the contextual meaning of interview responses.

Source: Data drawn from interviews of luxury brands users (n = 30), multiple responses allowed. The research is conducted by Assoc. Prof. Dr. Kritsadaat Wattanasuwan of Thammasat Business School

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## Data analysis of qualitative research

**Example:** Table 1.10 The key factors of luxury-brand consumption

Interview responses	Frequency of responses
Parents' influence	27
Peer pressure	21
Self-image projection	3
Personal preference	2

From the data, the study reveals that parents have a great influence on teenagers' luxury-brand consumption, as one of the informants puts it:

"My parents want me to look good. They don't like me to put on sloppy-looking clothes. Especially my dad, he once says his daughters must look beautiful. He always buys 'hi-so' dresses for us, some of which cost over 15,000 Baht. My mom also tells me that if we don't dress properly, it humiliates her. She always dresses up well. I think I like to dress well, too. ... My parents always take me to go shopping in Hong Kong during the weekend and sometimes to America and Europe during the summer. My mom likes to keep up with new things. My mom's just bought this Louis (Vuitton) wallet for me last weekend." (Informant 2, female, age 19)

Moreover, peer pressure has become a significant factor in influencing their luxury-brand consumption, by which they feel fear of being ostracized or excluded from a group, as denoted:

"I am a big fan of Hello Kitty. I have the whole set of Hello Kitty stationeries: a pencil box, pencils, notepads and so on. In fact, almost everyone in my group has the Hello Kitty items... We feel alienated if we don't use the same things together." (Informant 1, female, age 20)

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## ... Get on your feet, get onto the field ...

You are a team of “smart” market researchers working for an international consulting firm. One of the key clients (i.e., accounts) requests your team to conduct a qualitative research to find out one of these studies (choose one upon your preference):

- *Brand perception,*
- *Purchase decision study*
- *Attitude and usage study,*
- *New product development,*
- *Naming refinement, and*
- *Idea generation*

for the product of “**YOUR CHOICE**” – Duplication of selected choices is discouraged unless you prefer a competitive comparison. Choices can be, for instance, carbonated drink, formulated milk powder, women’s underclothes, deodorants, sanitary napkins, luxury bags, jeans, smart phones, etc.)

The client would like you to make a 15-minute presentation addressing

- *A choice of your study (i.e., brand perception, idea generation, etc.)*
- *Research question(s) >> Be specific and manageable*
- *Research design >> An overview of the research roadmap (a quick snapshot illustrating your research process >> from the start to the end)*
- *Research methodology >> research methods, respondent recruitment criteria (including target group identification), and sample questions*
- *Preliminary findings (key themes emerging from the data and consumers’ verbal quotes, if any)*
- *Implications to business / recommendations (how will your findings benefit to the client?)*

Just in case you are NOT so sure of what to do and how to do it, it is highly recommended that you gain access to any sources of literature / information available on the websites or in the library. Any books under the title of “Qualitative Market Research” will do.

Don’t get bogged down with an attempt to find a number of respondents in order to achieve representativeness. Your well-thought-out research design counts.

- **Each team will be randomly selected for presentation. The first presentation starts at 9.15 am.**
- **A copy of the PPT slides is required for submission. All team members’ details are to be appeared on the cover page.**
- **The majority, if not all, of the team members are expected to partake in the presentation.**
- **Each team is required to download the PPT file on the main computer at 9 am.**
- **Presentation date: October 7, 2012.**