

# Did You Remember to Ask Your Audience?

## Establishing Dialogs to Create Meaningful Business Strategies

insight

By Thomas Stinson | February 2005



## Creating Connections

Can you imagine building a multi-million dollar product without knowing who the customer is and what they want? Most people can't imagine taking such a high-stakes "stab in the dark." Marketing has long recognized the value of understanding the target audiences' *behaviors* and *desires*; the whole notion of psychographic marketing hinges on this idea. However, companies who go the extra mile and research the reasons behind that behavior and the emotional foundation for those desires stand a greater chance of establishing a strong connection with their audience and launching successful initiatives—and seeing positive results in audience response.

### Takin' it to the Streets

Understanding the target audience has broad implications for the strategic development of marketing campaigns and the development of meaningful user experiences. Obtaining an in-depth understanding of the target audience allows companies to move beyond basic market segmentations, to actually segment their audience along some meaningful line of differentiation (differing needs, differing attitudes, different developmental stages, different expectations, etc.). In-depth audience insight also enables marketers to create messages specifically designed to meet the needs of key prioritized segments.

"User research" (as we term this approach to understanding audiences) shouldn't be confused with traditional market research; the goal is not to understand behavior alone, but to go one step further to *understand the underlying reasons for that behavior*. This insight into explanations for behavior allows for a stronger understanding of the consumer. In turn, that in-depth understanding is used to create a product, offering, message, or strategy that meets and addresses the underlying motivators of behavior. User researchers incorporate methods from cultural anthropology, psychology, and marketing research to understand the attitudes, emotions, and expectations of users as they interact with a product or offering.

#### Introducing: Good Grapes Winery\*

In late 2002, the Good Grapes Winery was in serious trouble. For the third quarter in a row, sales were drastically down and traditional marketing efforts didn't seem to be affecting the company's dwindling market share. Without a turnaround in this frustrating trend, the Winery would be forced to close its doors.

### Proactive Customer Relationship Management

Gaining a thorough understanding of the needs of the target audience is instrumental in creating a product or offering that will meet their real-world needs and expectations.

Companies are clearly interested in developing and maintaining meaningful relationships with clients; customer relationship management (CRM) products have long been staples of the technology industry. User research could be termed "qualitative CRM." While customer relationship management solutions enable valuable insight into customer interactions, it is essential that solutions and strategies be

developed with an up-front understanding of users' needs...before CRM products start logging call-center and customer feedback interactions. Once a product is launched, it's too late to go back and consider what the target audience wants. Rather than create these solutions based on unfounded assumptions about customer needs or simple descriptions of consumer behavior, companies are beginning to implement efforts to understand the needs of their customers from a qualitative, human research standpoint. User research is central to these efforts.

### Establishing a Connection with the Audience

Creating a connection with customers won't happen unless a message speaks to the way they live their lives and view their world. The best way to ensure that the audience is connected to the brand and/or product is to understand first-hand how to depict the product in a way that resonates with them.

One of the most prevalent (and important) business applications of user research involves the development of meaningful marketing and communications strategies. A major component of understanding consumer behavior is understanding the messaging and media that resonates with them.

While understanding purchasing behavior is important, it's also crucial that researchers understand the way that behavior is integrated into the broader context of the users' lifestyles and attitudes. Conducting primary research with representative members of the target audience is essential to understanding the interplay between emotions, desires, and behaviors – and ultimately, intent to purchase. Understanding these factors and the influencers in the purchasing decision provides the impetus for creating a marketing campaign that will help integrate the product into users' lifestyles and psyches, generating increased revenues and larger market share.

### The User Research Tool Belt

In ongoing research projects, Avenue A | Razorfish uses a number of qualitative research techniques to get inside the minds and attitudes of our clients' target audiences. Face-to-face interviews, journals, photodocumentary studies, and roundtable discussions are all excellent ways to establish dialogues with the audience and understand the emotional and rational components of their likes, dislikes, and preferences.

User research incorporates a variety of qualitative and quantitative research methods. Projects typically combine two or more qualitative methods to ensure quality of results. Again, the goal of user research is not to describe behavior, but to understand the underlying reasons for that behavior for predictive purposes.

### Good Grapes Winery and Good User Research

In the winter of 2002, things were getting tense at the Good Grapes Winery. Quarterly sales were down and traditional marketing efforts didn't seem to be affecting the company's dwindling market share. At the quarterly executive meeting, the company made a bold decision to begin aggressively targeting young adult wine buyers. The nuts and bolts of the strategy: capture the loyalty of the young adult market and turn them into lifelong customers. If these individuals' early wine-purchasing experiences were positive, there was a greater likelihood that they will become loyal customers. Good Grapes hoped to capture their hearts through assurances that Good Grapes is the Winery that is an essential component of the lifestyle they want to lead.

## Research Methods—Qualitative and Qualitative

### ■ Interviews

One of the most common and effective research techniques is the immersive interview. This interview technique involves in-depth discussions with users in the context (both physical and emotional) in which they'll be interacting with an offering or message. For example, to understand how couples manage household finances, an interviewer might sit down with them as they do their monthly bill paying. Results of these discussions provide in-depth understanding of both rational components of behavior (how do couples keep records, how do they organize their bills, how do they communicate about finances) and emotional components (how the couple feels about spending money, about splitting up bills, etc.). The Good Grapes Winery used immersive interviews through observing and interviewing wine buyers as they purchased and consumed wine (see sidebar, "Good Grapes Winery and Good User Research"). For another client, Avenue A | Razorfish used immersive interviews with teens to understand how they spent their free time and what interested them about the world around them. Results of these discussions provide in-depth understanding of both rational components of behavior (how do couples keep records, how do they organize their bills, how do they communicate about finances) and emotional components (how the couple feels about spending money, about splitting up bills, etc.).

### ■ Photodocumentary studies

Another common research method is the photodocumentary study. Participants are provided with cameras and allowed to "tell a story" about their world through pictures. In one Avenue A | Razorfish study, researchers gave disposable cameras to a group of home-owners with instructions to photograph their favorite part of their home. The developed pictures provided the researchers with insight into participants' lives as they see them, and were instrumental in identifying differences and similarities amongst user groups. If researchers gave cameras to the same couples who jointly manage household finances, results might depict images of record keeping methods, images of messy tables covered with receipts and calculators, or pictures of computers and online bill-paying.

### ■ Discussion groups

When combined with more in-depth research techniques, many companies find discussion groups useful. This method involves moderating a group of between eight and ten pre-screened participants to discuss a topic relating to the study. A discussion group conducted with the shared finances example might consist of four or five couples gathered to talk about how they share household finances. Discussion groups represent a kind of compromise between ethnographic research and market research. They tend to elicit descriptive accounts of behavior ("First we do this, then we do that") rather than explanations of that behavior. In general, purely descriptive accounts of behavior are too shallow to be of significant value. Therefore, many researchers use discussion groups as a way to understand general trends in behavior, relying on other, more in-depth qualitative research methods such as photodocumentary studies or immersive interviews, to understand the reasons behind that behavior. Alternatively, some discussion group moderators incorporate collaging exercises or photo sorts (see below) to address less straightforward elements of behavior, such as feelings, emotions, attitudes, and perceptions.

### ■ Collaging exercises and photo sorts

Collaging and photo sorts are excellent complements to the traditional discussion group, providing researchers with a way to focus on each participant in turn and discuss emotions and feelings that may underlie behavior. Collaging exercises are a good way to address (often unrecognized) emotional and sensory components of an experience. For example, a researcher might ask discussion group

participants to create a collage of images that depict how they feel in a relevant context or location. In the hypothetical study of couples who share household finances, a researcher might ask focus group participants to each make individual collages that depict how they feel (while paying bills, perhaps, or while balancing the joint checkbook). Participants then take turns explaining their collages and discussing how they feel in those settings.

Similar to collaging exercises, photo sorts provide a great way to access underlying emotions and feelings. Participants are offered a stack of assorted images and asked to pick two or three that best describe them in the relevant context. The researcher then gives each participant the opportunity to explain why he or she picked the images that they chose, and how each describes their feelings.

It isn't necessary that these research methods be used solely in a discussion group context. They both provide good complements to any interview, discussion, or photodocumentary exercise.

### The Role of Quantitative Methods

It's important to note that none of these research techniques is effective as a stand-alone method. Qualitative research is highly susceptible to situational interference; results may be affected by geography, a fluke in sample size or recruited population, researcher bias, or error in research methods. To mitigate these factors, a typical user research project will incorporate two or more qualitative methods to ensure that researchers have an accurate understanding of all factors at play. Additionally, it is important to incorporate quantitative research into a study to statistically verify qualitative results. A common tact is to conduct qualitative research through interviews or photodocumentary studies, then conduct a quantitative survey or questionnaire to test the trends apparent in the qualitative research.

## Meaningful Market Segmentations

Once the research is complete and data collected, results are compiled and examined. User research illuminates patterns and trends in behavior, attitudes, needs, etc. This variable is of paramount importance in interpreting the results of research. The Rosetta Stone of user research is user segmentation – a classification of users along some line of differentiation.

In the Good Grapes example (see sidebar, "Good Grapes Winery and Good User Research"), a segmentation emerged based on patterns in consumption of wine. Some consumers consumed wine as a component of a social outing while others consumed wine to complement fine meals. These attitudes have important ramifications for prioritization of market segments and the creation of a relevant marketing campaign.

Depending on the study, other segmentations may emerge based on life stage, attitudes towards a certain variable, desired outcomes of the interaction. The important feature of segmentations is that the message, product, or offering to be developed will be geared towards a prioritized list of segments.

### But Segmentations Aren't Everything

It is worth noting that identifying the needs of key user segments is not enough to go out and create a solution. For marketing consultants, it's important to judge the user needs against the client's business requirements. It may be that clients are not able to provide everything that the target audience wants; some mutually beneficial compromise should be reached. This may not be such an issue for client-side researchers, where the business goals of the organization are to please the target audience.

## A Roadmap for Your Strategy

Understanding customer behavior and patterns in that behavior is central to maintaining a connection with the customer base as a whole. User research lays the foundation for creating a product or message that customers will interact with. It provides the impetus for making strategic decisions for not only marketing and communications strategies, but also for pricing, for brand, for design decisions, and a host of other business applications. Establishing a dialogue is central to all these efforts.

Campaigns that effectively resonate with users will generate higher revenues, increase brand loyalty, and help to strengthen market share. To increase the probability that your marketing and communications strategies are powerful enough to resonate with your target audience, follow the “Top 8 User Research Rules.” You’re on your way to the creation of powerful user-centric messages.

## Case in Point: Good Grapes Winery

### → The tactic

Good Grapes Winery was interested in developing a marketing and communications strategy to increase sales to affluent young adults, ages 24 to 34. They faced a tough question: could the company counter negative market trends and industry performance through a campaign that doesn’t just talk to users, but actually resonates with them and makes the product a part of their lives?

In an effort to create an exceptional marketing and communications strategy, the Good Grapes Winery sought to understand not just the purchasing behavior of the target market, but also how they perceive wine consumption and culture. It was essential that the campaign assure buyers that Good Grapes is a natural extension of their lifestyle. Key issues included understanding the emotional and rational components to customers’ relationship with wine and how the winery could create a brand that would integrate into their lives and become a natural extension of their identity.

Based on existing customer research and sales team feedback, researchers at the winery developed a series of hypotheses around how to segment the audience and what components of the wine-buying experience were most important and compelling. Armed with hypotheses to test, the company went out to talk with its target market.

The researchers conducted formal face-to-face interviews, they observed buyers in wine stores and talked with them there, and they offered journals to some research participants, instructing them create collages depicting their ideas about wine and wine drinking. Based on the results of these qualitative methods, Good Grapes launched a nationwide survey to verify their qualitative results.

### → Putting the pieces together

After compiling the results of the research, it became apparent that the market may be segmented along perceptions of wine consumption and patterns in social activity. Some individuals consumed wine as a component of their social lives: sitting in café-style settings, drinking wine with coffee and pastries or light snacks. Consumption in this case was part of a social image; wine facilitates restful conversation and communion over food and drink. These individuals tended to base purchasing decisions on cost, availability, and brand recognition and perception.

*“For me, wine enhances the ambiance,”* said one research participant. *“One of my favorite Friday night activities is to get together with friends at the bar down the street, sit outside with a bottle of wine and appetizers, and just talk.”* This segment was named “Socialites.”

Another segment emerged that consumes wine for the experience of the wine itself, often as a complement to a meal or dish. Wine consumption was part of a greater goal of enjoying the interaction of wine and food. These individuals made purchasing decisions based on the interaction of the particular

wine with the meal to be consumed. They tended to be more educated about wine than the “Socialites,” and were more likely to make educated purchasing decisions.

*“I subscribe to a leading wine magazine and read their recommendations for good wines,”* stated a member of this segment. *“I’ve also taken a couple of wine tasting classes, and really enjoy experimenting with placing different wines with different foods.”* This segment was named “Connoisseurs.”

### → Taking action

Based on the emergent user segmentation, Good Grapes was able to prioritize segments according to their value for marketing and communication efforts. They decided that “Socialites” would be easier to reach in the short term, while “Connoisseurs” would be more profitable in the long run, but were less susceptible to image-based marketing campaigns. In addition, the quantitative survey indicated that “Socialites” comprised a larger market in target geographies. Based on these trends, the winery chose to initially target “Socialites” in hopes that they could capture their attention with a marketing campaign emphasizing Good Grapes as a foundational component of a refined social experience. Later “Connoisseur” messaging campaigns would emphasize Good Grapes’ quality and introduce a “Reserve” label at a higher price point. Shortly after completing research, the winery launched a campaign that squarely placed Good Grapes wines as a vital component of the daily lives of the “Socialites.”

### → Seeing results

By the spring of 2004, things were more exciting than ever at the Good Grapes Winery. The marketing campaign targeting “Socialites” proved to be the boost that the winery needed. Sales were back up and Good Grapes had actually increased their market share by January 2005. Market research indicated that Good Grapes was the brand of choice among young adult wine drinkers in target geographies, and plans were under way to launch the “Connoisseurs” campaign. Understanding the lives of their target audience was vital in creating an informed strategic plan for reversing the decline of Good Grapes.

## Top 8 User Research Rules

1. Start a project by developing hypotheses from which to work. These should address behavior, underlying reasons for that behavior, and a potential user segmentation.
2. Use a professional recruiter to find participants. This saves time and money in the long run, and can help ensure that you get a representative sample of users.
3. Allow 4 to 6 weeks for a thorough, multi-track qualitative user research study.
4. Incorporate qualitative and quantitative research methods to ensure methodological rigor.
5. It’s usually sufficient to conduct interviews with 3 to 5 members of each hypothetical user segment. Trends are usually apparent by then. Less-intensive research methods (photodocumentary studies, focus groups, journaling, etc.) may require 8 to 12 participants per segment.
6. Include a multidisciplinary team in the research. Having multiple perspectives allows for more thorough research and helps ensure that research results are delivered in a meaningful way.
7. To minimize the risks of researcher bias, a team of at least 2 people should go into the field to conduct research. No more, though. Too many people can intimidate a research participant. If there are more people available to conduct research, split them up into teams.
8. User needs aren’t final. It’s vital that they are considered along with market conditions and the business needs. Prioritize among these and try to find a happy medium.

**Notes:**

\* The Good Grapes Winery is a fictitious entity for the purposes of illustration

## About the Author



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As a user researcher, marketing strategist, and consumer insight specialist, Tommy's experience involves working with clients to craft meaningful, actionable, user-centered business strategies to drive the successful creation and maintenance of online initiatives. Tommy has served as the lead marketing strategist for Avenue A | Razorfish engagements with Raindance Communications, Genentech, and Covad Communications. Tommy holds a Bachelor of Arts in Anthropology from Washington University in St. Louis and a Masters of Arts in Anthropology from the University of Tennessee, Knoxville.

## About Avenue A | Avenue A | Razorfish

Avenue A | Avenue A | Razorfish ([www.avenuea-razorfish.com](http://www.avenuea-razorfish.com)) is the largest independent interactive agency and an operating unit of aQuantive, Inc. (NASDAQ: AQNT), a digital marketing services and technology company. Avenue A | Avenue A | Razorfish solutions are grounded in deep technology, rigorous analytics and a rich understanding of customer needs, including award-winning media planning and buying, search engine marketing, customer targeting and profiling, world-class creative, design and implementation of web-based systems, and integrated marketing programs. Avenue A | Avenue A | Razorfish operates three regions – East, West and Central – with offices located in major U.S. markets, including New York, Chicago, San Francisco and Seattle. Clients include AstraZeneca, Best Buy, Kraft, Microsoft/MSN, WeightWatchers.com and Wells Fargo.

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