

## Picking 'Right' Market Research Requires Study by Consultants

By Lin Gensing-Pophal, SPHR, March 2008

Whether using a focus group, a phone interview, a quantitative study or a review of available secondary information, making the right choices when conducting market research for a client is critical. Not surprisingly, to make the right choice requires that a consultant have a solid understanding of the client's desired outcomes.

"As with many things in business, one size does not fit all," says Lisa Rohrer, president of Sterling Research Group Inc. in St. Petersburg, Fla., which specializes in collecting customer satisfaction data. "A research plan can vary tremendously based on goals and objectives," she says.

**In addition, crafting an appropriate market research approach requires a consultant to consider the business objectives of the research, says Beth Zimmerman, founder and principal of Cerebellas LLC, a strategic consulting company that works with C-level and senior executives. Common objectives might include: gauging customer loyalty, assessing alternative solutions in the market, and determining the credibility of the company brand.**

**"A thoughtful research program begins first with a thorough understanding of the business issue or issues at hand, from which it can be determined what approaches are best suited to tackle the issues," Zimmerman says. In addition, "publicly available information should always be included in the mix, as well as previous research the client might have undertaken, as long as it is reasonably current," she says.**

### Qualitative vs. Quantitative

Research methodology choices generally break down into two categories—qualitative and quantitative. Qualitative research (for example, focus groups) can provide a general indication of beliefs, preferences and opinions, while quantitative research (for example, surveys) provide statistically reliable information. Both can be valid forms of research, depending on the outcomes and objectives desired.

Chris Stiehl, coauthor of *Pain Killer Marketing* (W Business Books, 2008), says that while focus groups are used for almost everything, much of the money spent on focus groups "is wasted." The problem is that qualitative research is confused as quantitative research, she says. When conducting quantitative research, large numbers are desirable, but when it comes to qualitative research, more is not always better, she adds. In qualitative research, it does not matter how many people share an opinion or point of view on an issue, she says. Reporting that "80 percent of the focus group respondents believe..." is nonsense because focus groups are designed to elicit ideas and not to estimate how many people believe something, she says.

While Stiehl says there is confusion on the use of focus groups, Henry DeVries, who co-wrote *Pain Killer Marketing*, does not support the use of focus groups as research tools. "Focus groups rank as the No. 1 waste of marketing research dollars," he says. Rather than use focus groups, DeVries says, use one-on-one interviews—in-person

or over the phone. The depth of information obtained for each topic is greater in one-on-one interviewing because the moderator or facilitator does not feel the pressure to cover every topic and can focus on topics of interest to the customer, he says.

Others say focus groups should be used at the start of any research.

Mark Vickers, vice president of research at the Institute for Corporate Productivity (I4CP), manages a team that produces primary and secondary research on issues that affect productivity in organizations. All research conducted by I4CP starts with face-to-face meetings or conference calls in which clients provide general information on what interests them, he says. During this dialogue, more specific ideas are formulated. The next step is to schedule a focus group in which the issues are explored further by experts and practitioners in the field, he says. For example, if a research issue is linked to learning in organizations, it would be appropriate to include practitioners in the field of training and development. The input from the focus groups, as well as any other data, is then used to craft a survey or other research tool that can elicit answers to the questions raised in previous meetings. "It helps to collect data that can provide insight into performance levels and can then be correlated with specific practices that organizations adopt," he said.

### **Strategy Drives Tactics**

Objectives should drive design, Stiehl says. Most market research projects that fail do so because the objectives were not well defined or the research design did not match the objectives, she says. To sell the client on a proposal, a consultant needs to ensure that a client understands the research objective, how it applies to the company's business objective and how the consultant's plan will meet that objective, she says.

To help a client understand the research objective, it is essential for a consultant to start with clearly identified objectives, Rohrer says. Starting with the client's objectives—including what the client is trying to learn and how the data will be used—will drive the methodology, the survey instrument, the sampling strategy and the reporting approach. The research approach used in this setting is often two-pronged in that it includes qualitative (focus group) and quantitative (survey) components. For a client who has never tried to measure customer satisfaction, it is typically recommended that information gathering start with a focus group composed of key customers so the researchers can get a feel for what is important, she says. That is followed with a quantitative survey that is developed based on the direction provided by the qualitative inputs of focus group participants.

### **Timing, Cost and Audience**

**In addition to objectives, drivers of research design include time constraints, budget and the target audience, Zimmerman says. A business-critical date or milestone for which the research is needed will impact timing. "Timing might suggest a one-to-many approach like a focus group, online study or on-site trade show research vs. more in-depth, time-consuming methodologies like phone or in-person interviews," she says.**

The research budget will also affect the information gathering approach selected. For example, high-touch, one-on-one approaches are generally the most costly. In addition, some research might require that participants receive compensation for their time.

**The target audience can also affect research decisions. "Researching senior executives and business-to-business audiences is typically best achieved through a one-on-one methodology," Zimmerman says. "More consumer-based audiences, which can include some professions, like physicians, can be done over the Internet through the use of pre-screened panels of participants," she says.**

**Persuading clients to undertake research initiatives really is not very difficult, Zimmerman says. "I have rarely found it difficult to persuade decision-makers that it is better to know than to think you know," she says.**

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