

The Case for Market Research

Startup Bootcamp Osaka

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Aims of this session

Intro to Dom and Carter Group

Understand why we do market research

Learn about the broad process and main approaches we use

The role of culture as a driver of insight

Pleased to meet you!



Late
1990's

Working &
living in Japan



Since
2003

Leading an independent
market research agency



Today
2019

Still going and growing ;)

A Snapshot of The Carter Group

Japan Expertise, Creative Thinking, Safe Hands



Full-service consumer
insights-driven marketing
consultancy

Long established
independent agency in
Japan (since 1989)

Experience **covers**
Japan & APAC markets

Multicultural team of
analysts and **marketing**
consultants

Offices in **Tokyo, Osaka &**
Singapore - core team of
70 & field force of **100**

Offering a unique balance of
thinking & creativity

Areas we work in

ACTIVATION

Fuel the Future
workshops

Active & passive
tracking

Quantitative

MEASUREMENT

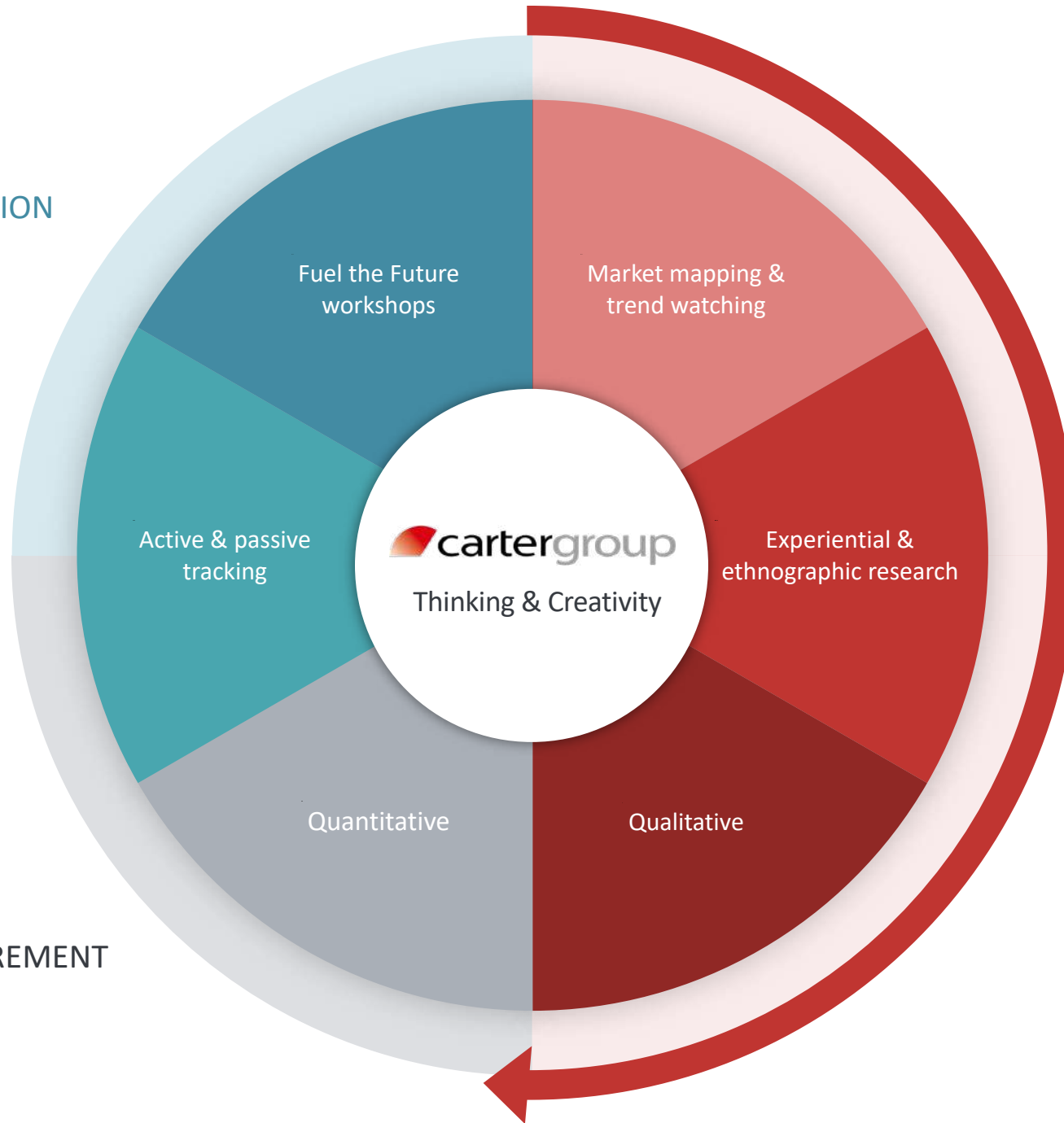
 **cartergroup**
Thinking & Creativity

Market mapping &
trend watching

Experiential &
ethnographic research

Qualitative

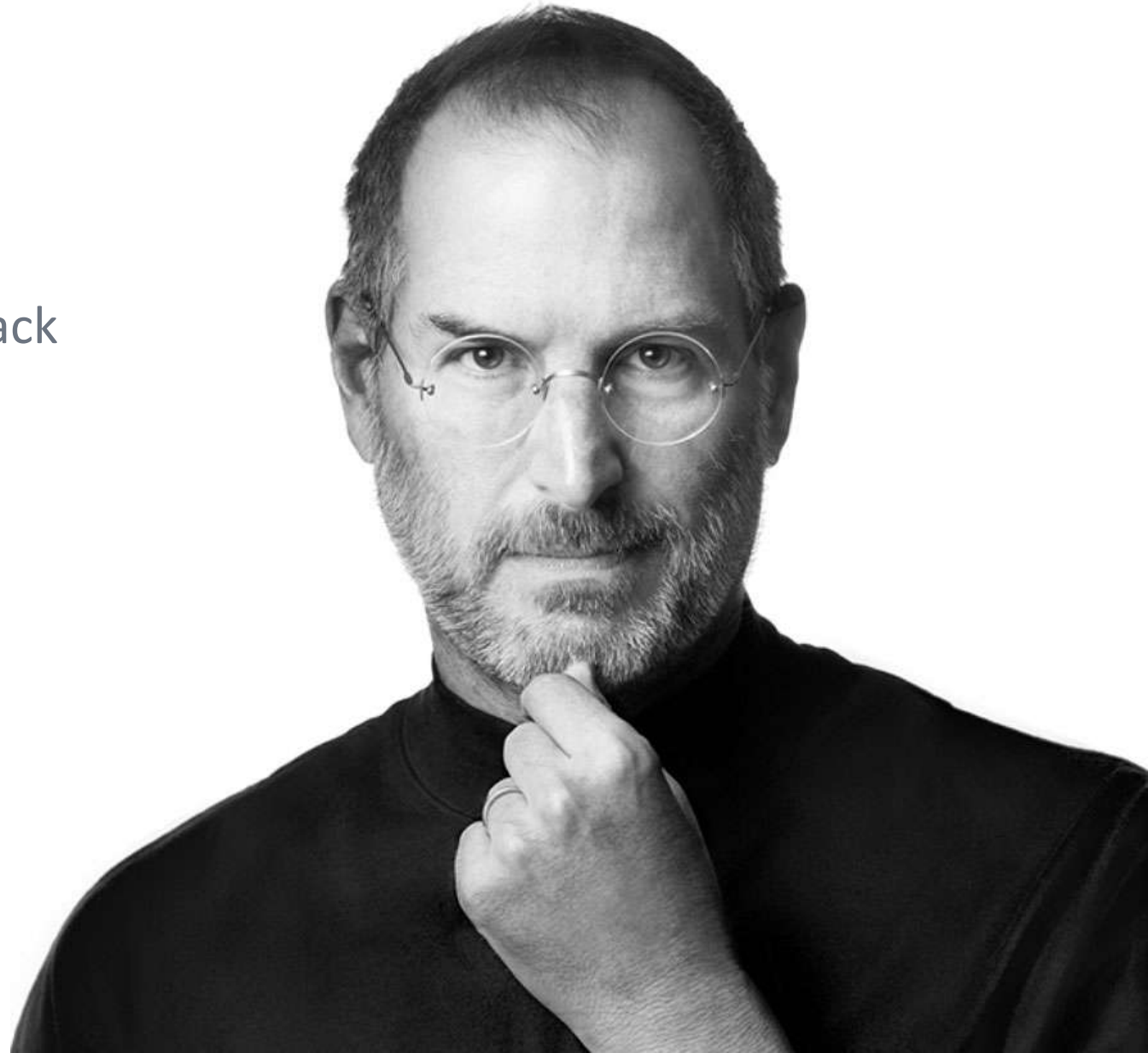
EXPLORATION



Steve Jobs could not have put it better

“You’ve got to start with the customer experience and work back toward the technology – not the other way around.”

May 1997, World Wide Developers Conference



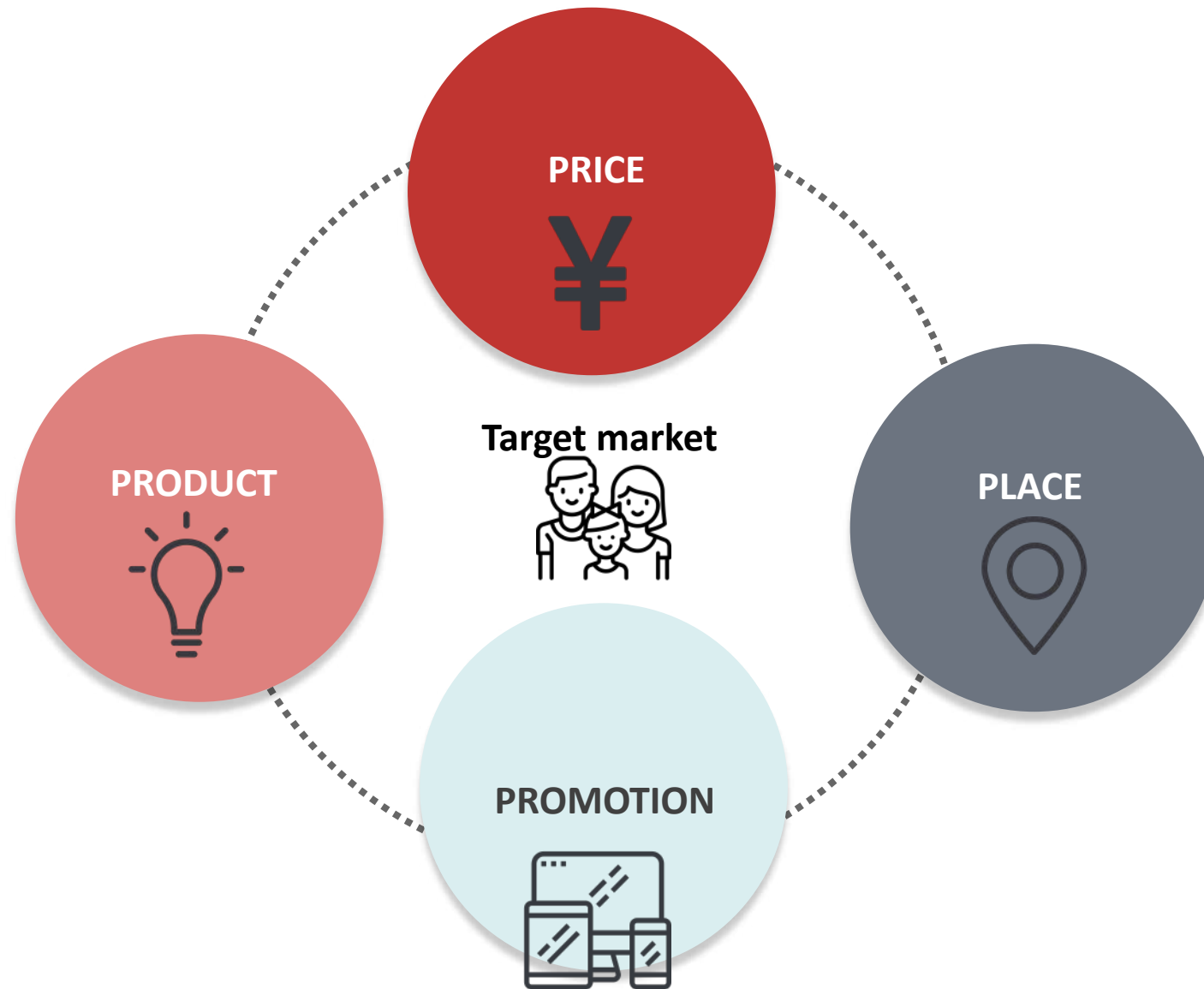
In a nutshell



In market research we are deploying **methodologies and systems** to ensure that decisions are made **with reference to the customer**

- whose co-operation business always needs

The 4 P's



A woman with long dark hair and bangs is looking down at a small object in her hand. She is wearing a light-colored top and a patterned skirt. The background is a blurred Japanese interior with a sliding door and a decorative lantern. The entire image has a reddish-pink tint.

Japan boasts some of the most advanced
and discerning customers in the world.

| Their market behavior can be hard to understand and predict



**Market Research
provides a map on
surmounting the
top strategic hurdles
any new business
needs to meet in
Japan**



#1 TRUST

Firm belief in the reliability, truth, or ability of someone or something



#2 TURNING YOUR DIFFERENCES

To your advantage



#3 RESETTING THE AGENDA

Prompting a
reappraisal of current
alternatives

Why bypass market research?

Slows
things
down

Lots of
processes

\$\$\$

Know it
all already

Fear of
losing
control

Contradicts
some
powerful
people

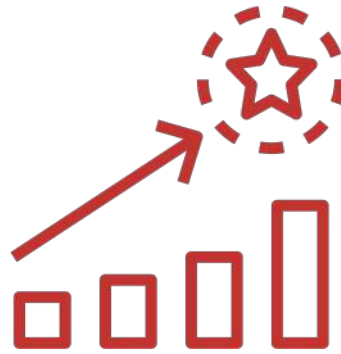
Makes you
think
differently



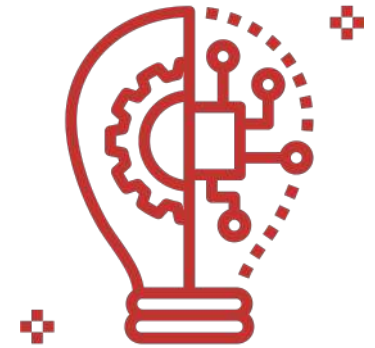
But research can be a great help to those open to receiving it



Seeing the business
environment in new ways

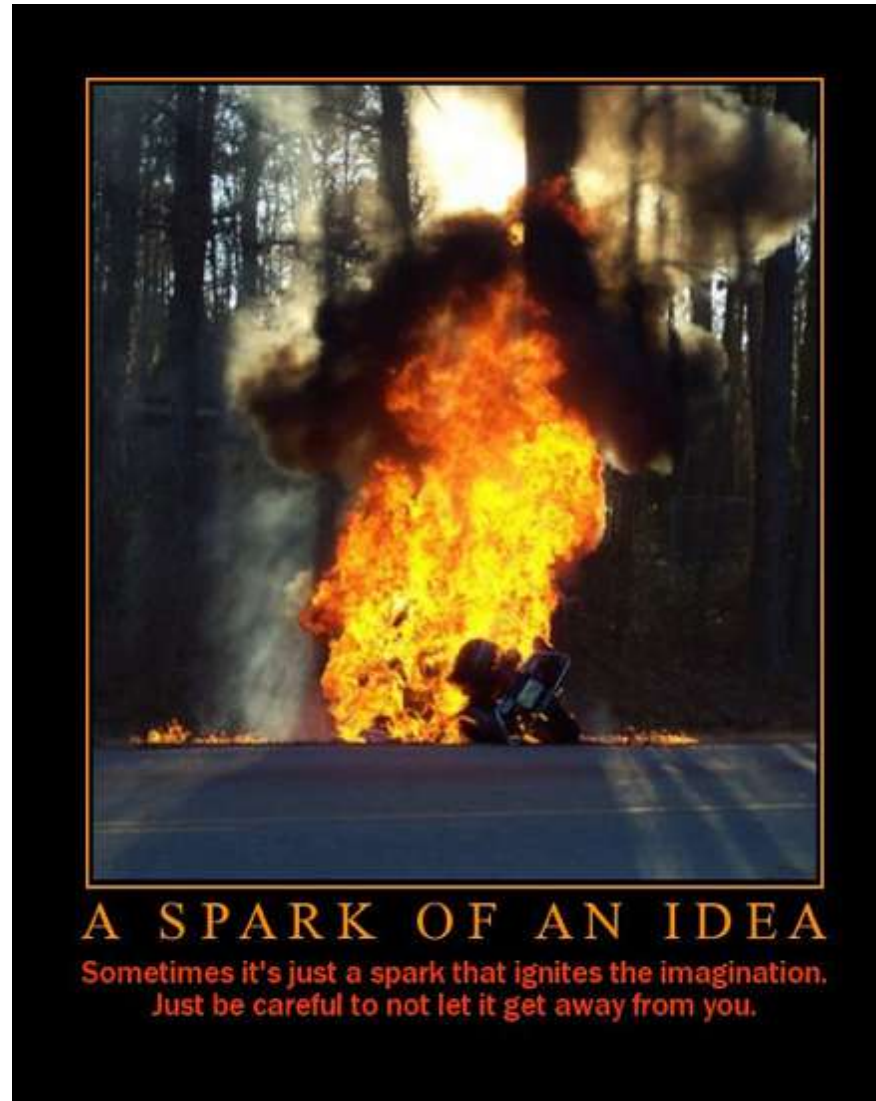


Seeing opportunities that
you may never have
thought of before



Sparking ideas

And sometimes, research helps to avoid disasters!



What we should expect from good market research



IDEAS

Beyond those we can
generate on our own

+



INSIGHTS

We can't access ourselves

What is an insight?

Simply:

The **meaning** of information

“Insight is always retrospectively self-evident”

- Stan Sthanunathan, Global Head of Research, Unilever



How to achieve good insights



Market context

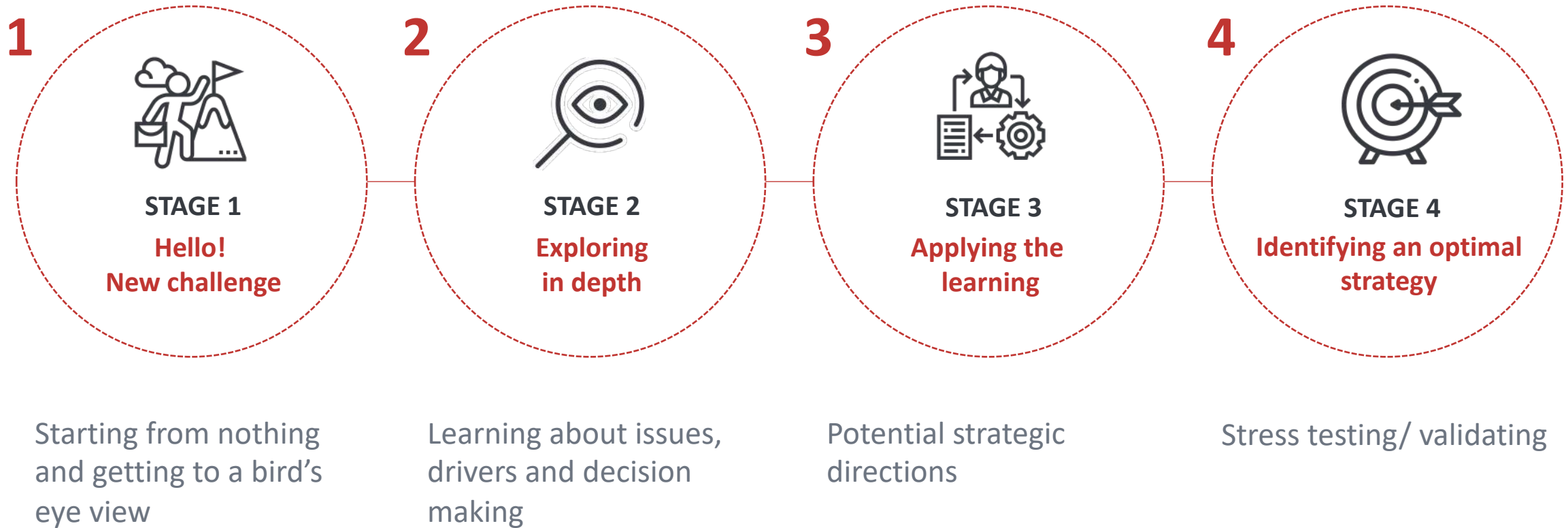


New information



Our own experience

When starting from scratch, a staged approach is needed for building insight



When starting from scratch, a staged approach is needed for building insight

1



STAGE 1

Hello!
New challenge

**Cultural Analysis/
Secondary research**

GETTING TO SQUARE ONE

requires a good understanding
the societal life drivers of your
buyer



Why is it important?

Consumers are constantly being shaped by the outside world, the culture of the time, and the meanings it creates.



Fashion, Art and music



Brands and comms



Celebrities



Popular Culture



Lifestyle



Trends



Icons



World Events



Geo-Political and cultural forces



Technology change



Societal pressures



Environments



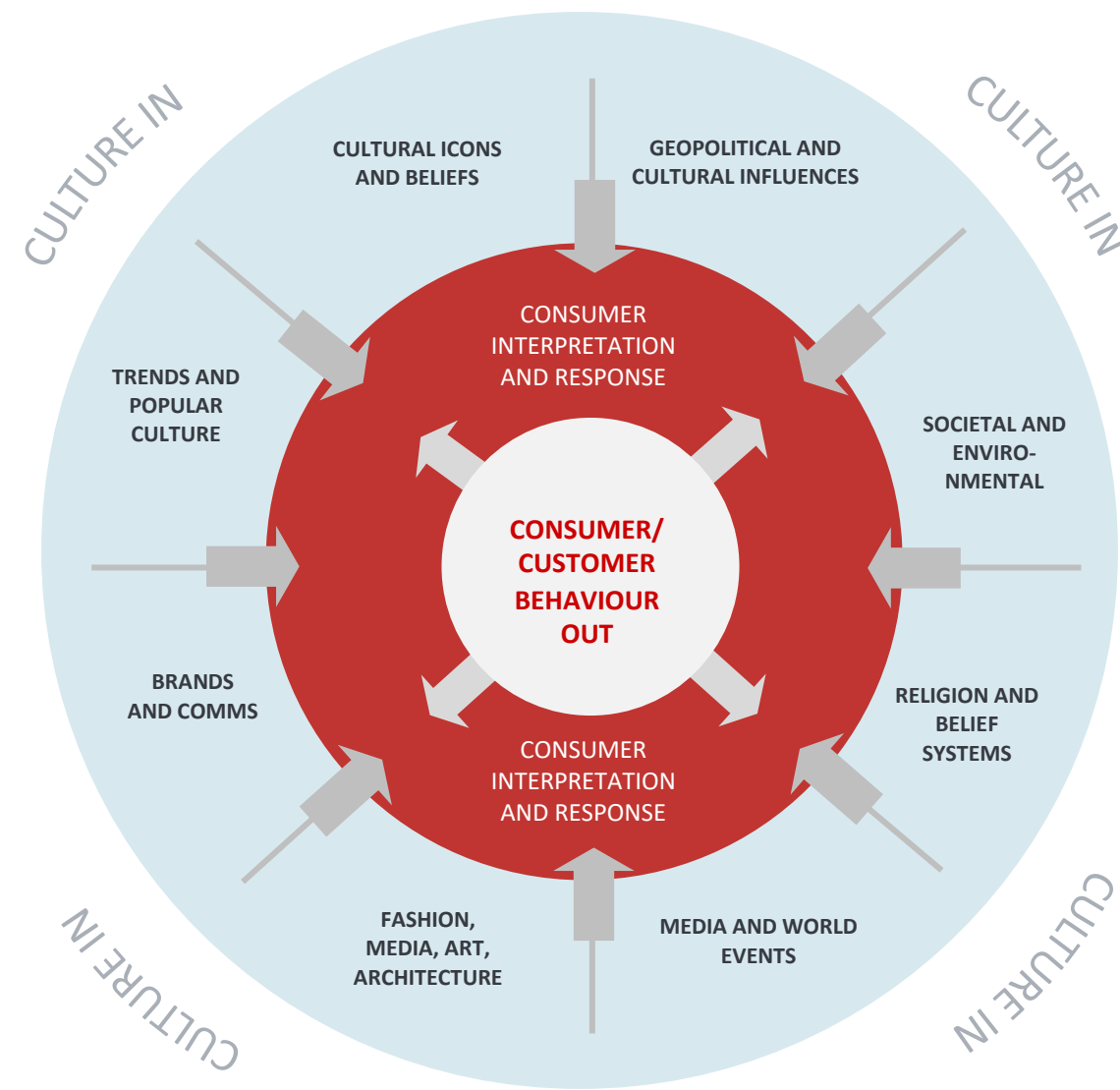
Media messaging



Religion and beliefs

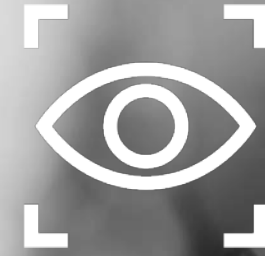


Cultural Analysis: Understanding context



Observation

**Immersing
yourself
in the
market.**



Go out and spy on your
potential customers!

Secondary Research

Secondary Research

(also known as 'desk research')

Based on facts, figures and findings prepared by other people.



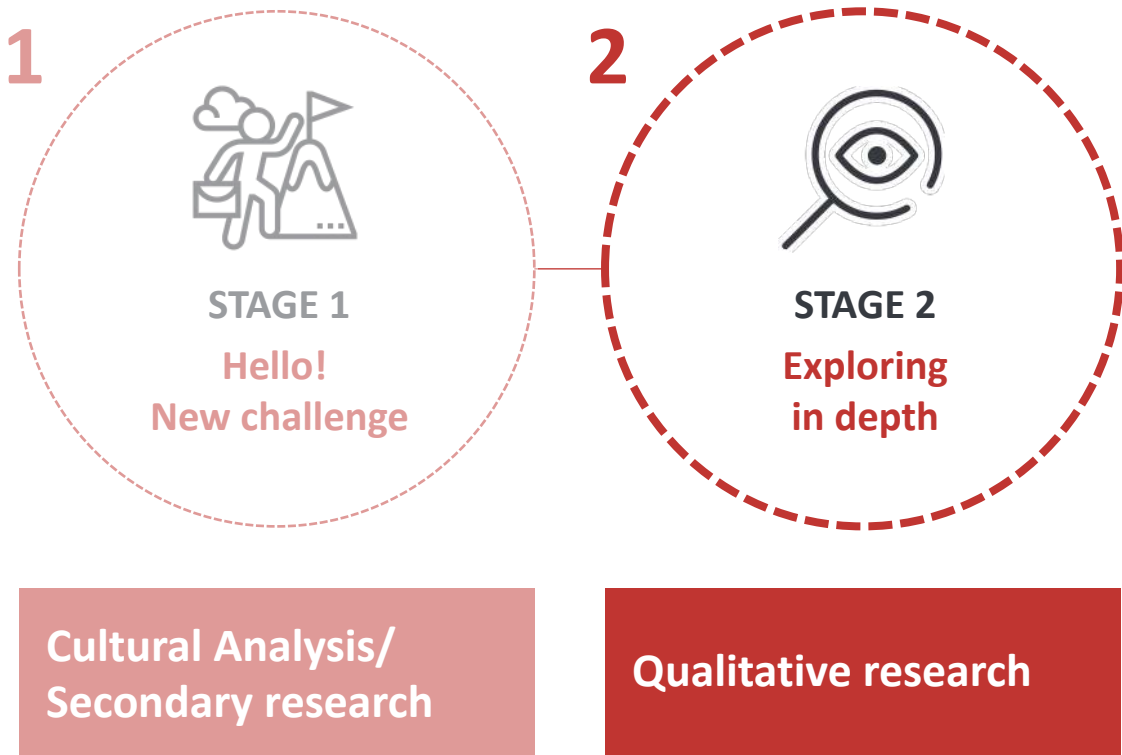
At the end of the day...

Secondary research seldom answers your questions directly

Rather, it's very useful to give you a
feel for the market and to spark your
early *hypotheses*



When starting from scratch, a staged approach is needed for building insight



What is exploratory research?



Exploration is needed when you need to know in detail how a certain category or industry works

Exploratory research usually consists of **qualitative** methods of inquiry



Qualitative research

- Talking and **listening** to people in a semi-structured manner
- Usually the discussion is controlled using a discussion guide and the process is recorded for later reference
- Can be one-on-one, or in a group discussion



Use Qualitative research to explore



How buyers make decisions in your category
Surface what's important to them



The basic rational and emotional reactions people have to the
category and your ideas



How buyers position your offer among alternatives

Comparing the main qualitative methodologies



One on one depth Interviews

- 1 to 1
 - Can be held anywhere
 - Easier to recruit and organize
-
- Cover issues in depth such as detailed purchase journeys
 - Can be used for cover confidential or sensitive information
 - Idiosyncratic to the person being interviewed

Great for detailed understanding



Focus Groups

- 6-8 participants + a moderator
 - Needs a venue
 - Harder to recruit and organize (esp. for B2B)
-
- Cover issues less deeply but can surface a wider range of views
 - Group dynamic adds value
 - The group tends to provide more widely accepted or generalizable views
 - Better for reviewing concepts

Great for consolidated understanding

Let's look at digital



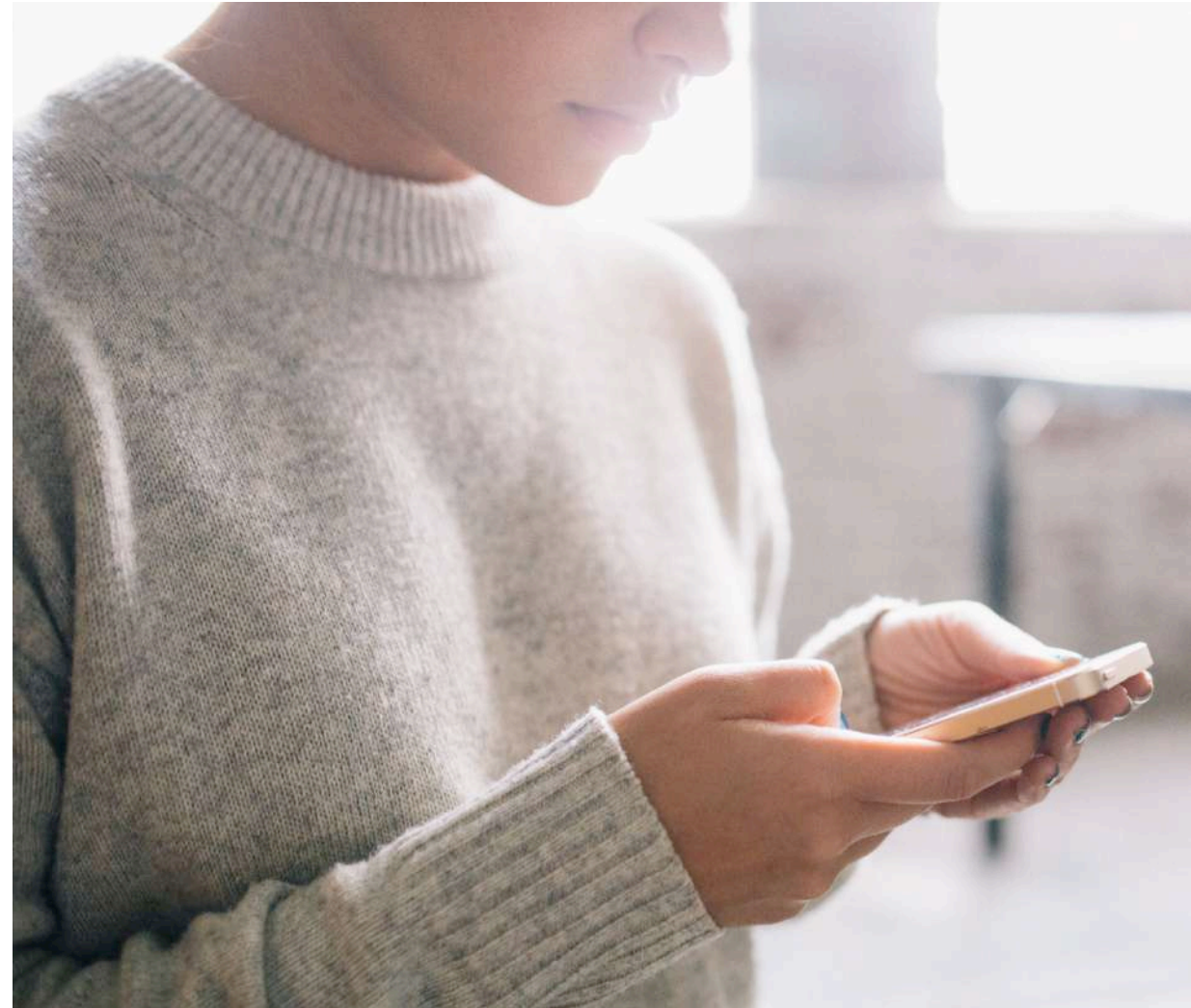
The digital environment for consumers is continuously seeing new products/ services



Many services and communication in everyday life are becoming highly dependent on digital tools.

And yet...

- Consumers **do not adapt** or **easily change their current behaviors**
- They only choose the product/service that **makes their life easier or better**



Our approach is...
to uncover the truth
about consumer's
experience and needs in
their day-to-day life in
order to reveal
opportunities



The steps to get there: Ethnography



We start from OBSERVING

To understand consumers experience in their daily life



To nail down their REAL pain points and opportunities



Ethnography **One-on-one interview** **on-site**

Observe and understand current consumer experience

How, when, where digital products are used and perceived in their real life

Identify the issues on-hand in real life situations

The steps to get there: Stop & Think Session

We feedback our learning through STOP & THINK Sessions

- To share the learning from ethnography with the client team/ stakeholders
- To identify or re-identify the specific issues from the current consumer experience
- To align with opportunity areas for new/ improved product development

Stop & Think Session with Client team

The session will be customized for the clients' needs

It can be arranged as a simple debriefing session

it can also be a workshop for brainstorming ideas for opportunities

The steps to get there: Content and usability



We test a prototype for USABILITY among target consumers

To see the product usability to meet consumer needs - solving the identified issues

Key areas for evaluation:

- ✓ Functionality
- ✓ Efficiency
- ✓ Desirability (Look & Feel)
- ✓ Labeling

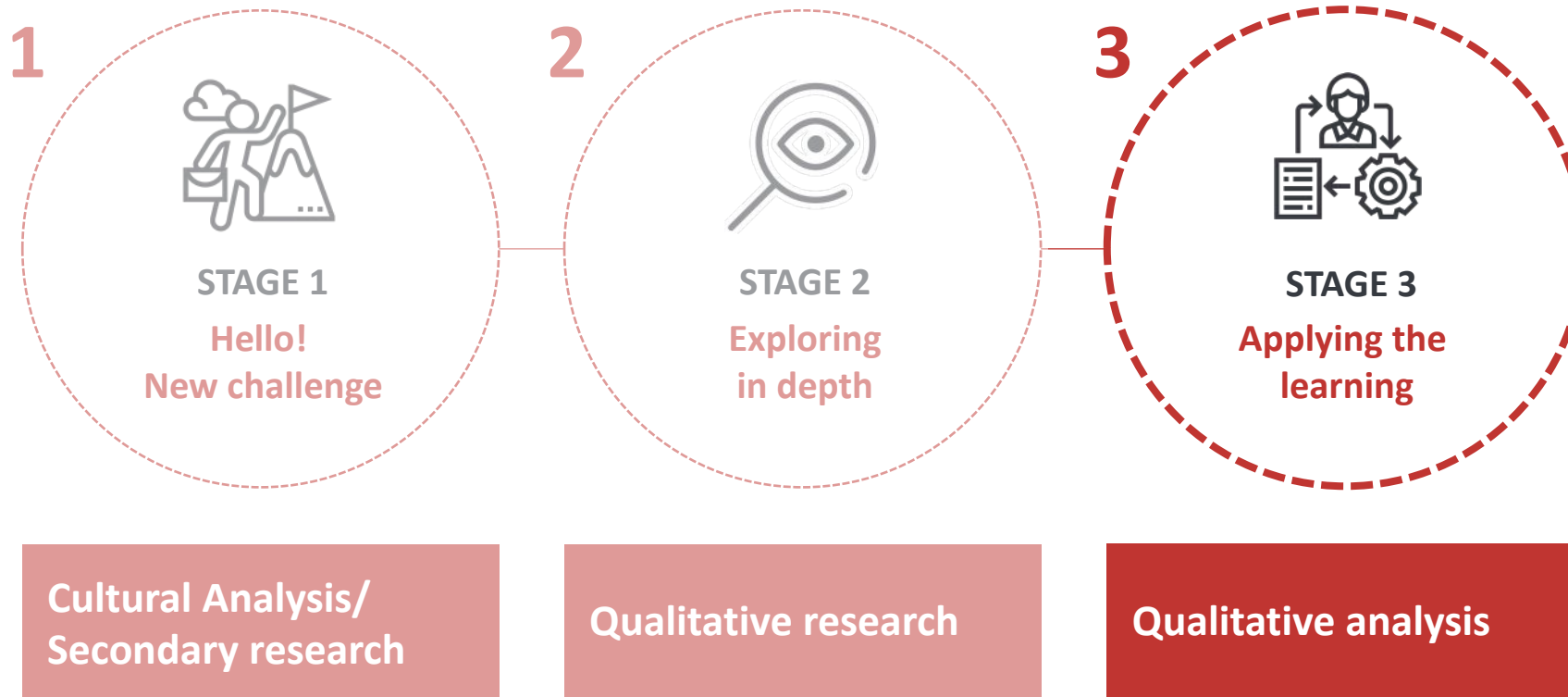
**Usability Test
One-on-one facility
interview**

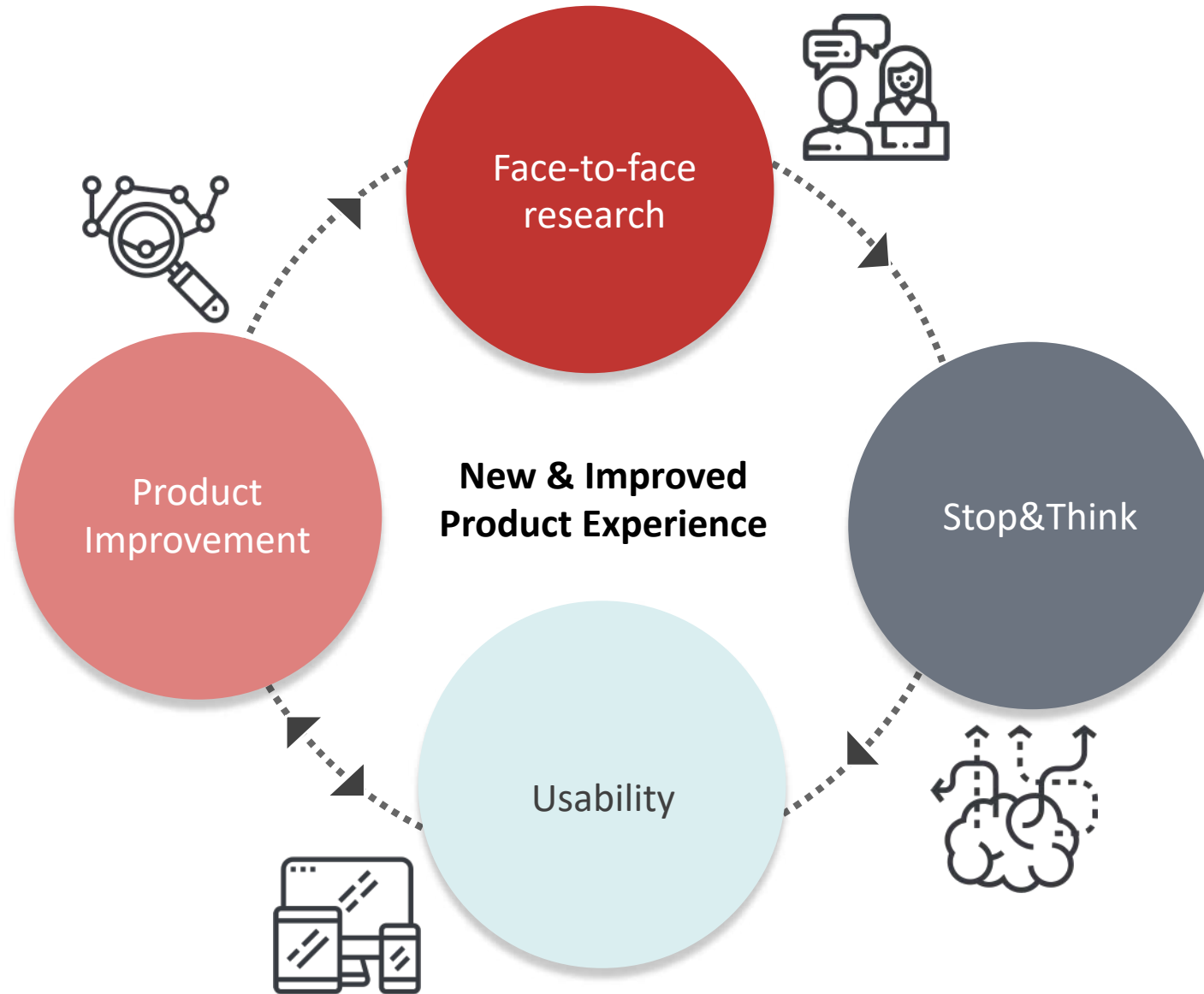
Monitor the prototype in use

Identify the “mistakes” and
“confusions”

Provide patterns of
consumer behavior and
expectations

When starting from scratch, a staged approach is needed for building insight





Case Study

Helping a streaming sports platform to succeed in Japan

Gaining receptivity

Foundational qualitative work highlighted the desirability of partnering with an appropriate local partner to facilitate and accelerate trial

Sign up

In-store and in-home ethnography showed how to adapt the process to Japanese preferences e.g. adding confirmation pages, intermediate emails etc.

Look and feel

Home page is extremely important – needs to ‘look’ Japanese. E.g. as a result of testing, black was changed to white on the website (black was seen as suspicious)

Credibility and trust

Users wanted a clear, visible and easy path to unsubscribing, which builds trust for a foreign, unknown brand



In order to address barriers to their strategy, significant changes were put into effect in the client's approach to the market that have ensured a successful launch in Japan

B2B App Usability Test

Product Usability Test

"Renewing a digital tool for a beauty counselor"

OBJECTIVES

- To test a newly developed digital tool for beauty counselors to improve the current efficiency with daily tasks among Beauty Counselors
- To reveal the pain points, misunderstanding and hesitation
- To understand user behavior and expectations



Product Usability Test

"Renewing a digital tool for a beauty counselor"

KEY FINDINGS

- New design and functions met the need of consolidation and simplifying tasks
- However, the new app was something completely new to them in terms of "what is actually possible" and lead to excitement and curiosity
- At the same time training is an essential part of making the usage with the new tool as easy as possible

POINTS TO BE IMPROVED

- Some hesitance in figuring out the top page due to the labeling and page structure
- Product explanation and selling flow was not relevant to their current practice.
- "Personal information" page should appear after the counseling not before



Product Usability Test

"Renewing a digital tool for a beauty counselor"

SOLUTIONS FOR GOING FORWARD

- Redesign the page to use calendar function to navigate the action on the top page.
- Product description will follow the current practice.
- Limit the personal information to be asked before counseling, and add a function to come back to fill in the information after the purchase decision is made.



Engaging the Team for Success



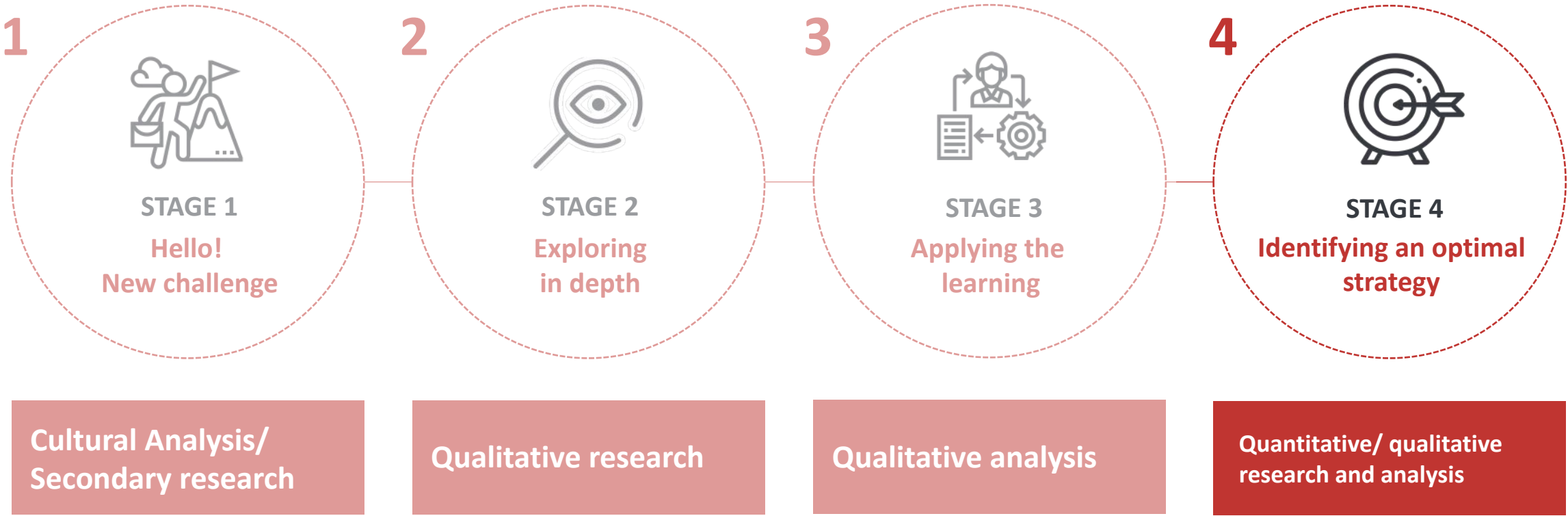
A series of 'Stop and Think' sessions and workshops provides the process, people and environment to stimulate thinking based on research insights



... to get the team out of the everyday assumptions, and really stretch thinking to create ideas for growth

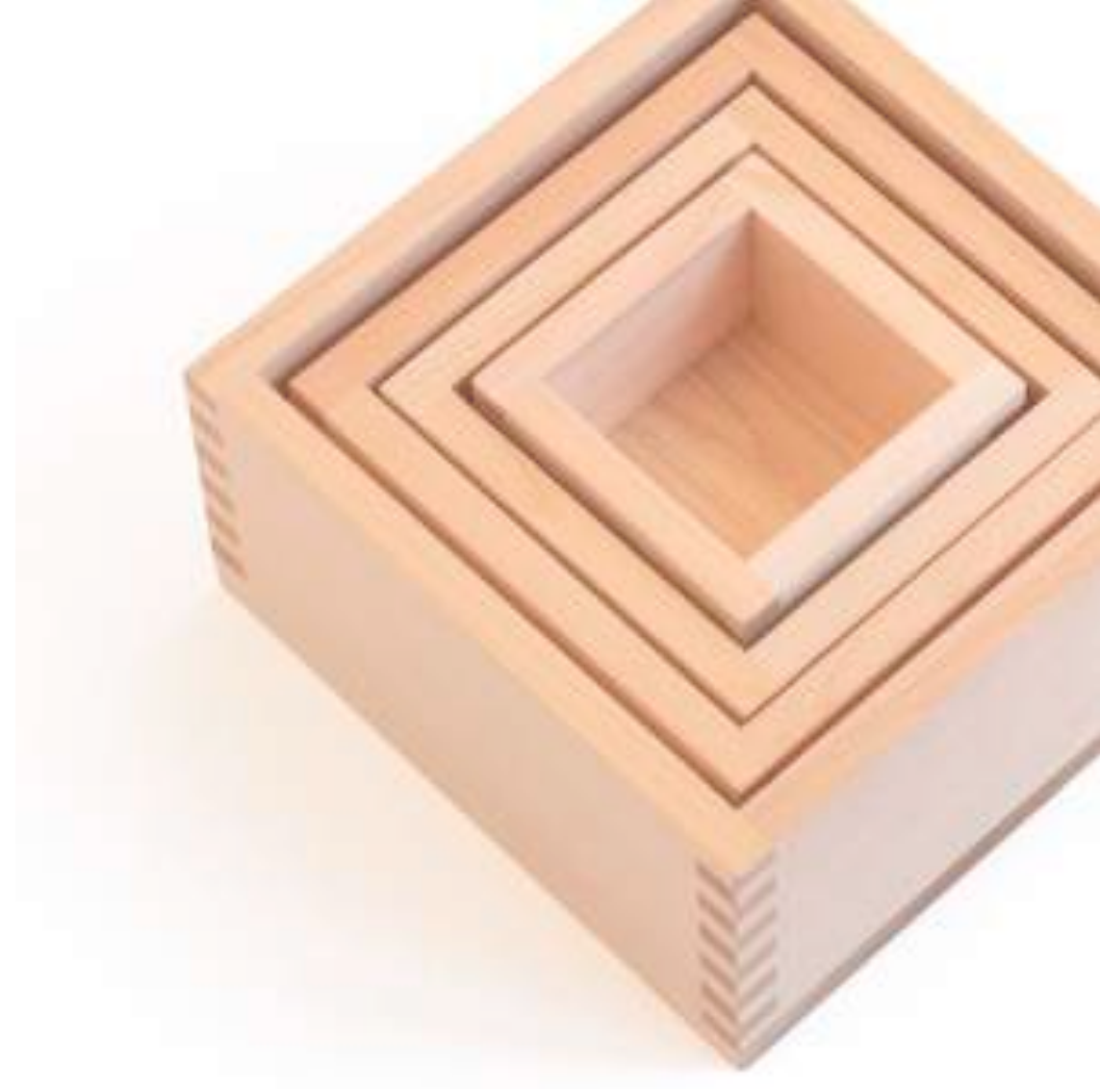


When starting from scratch, a staged approach is needed for building insight



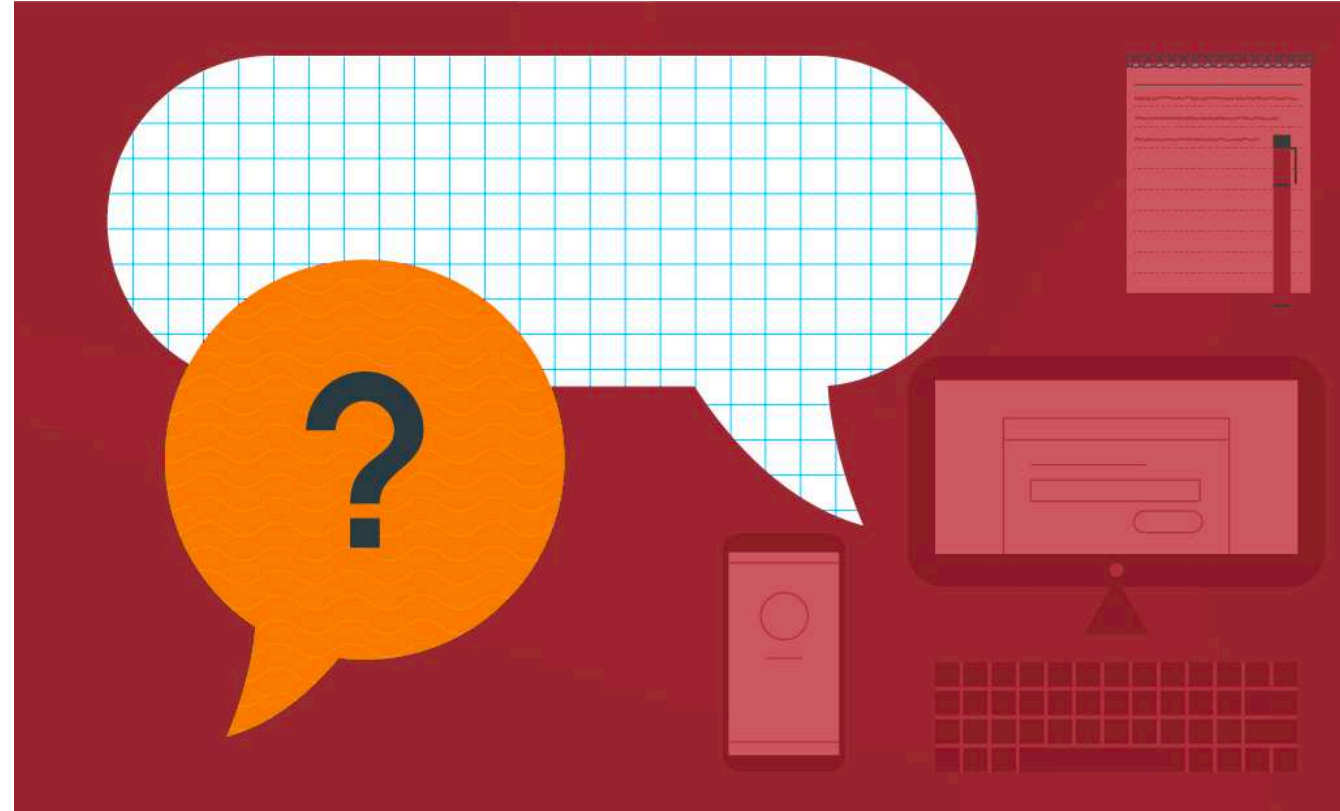
Measurement research

- Once we have a handle on the range of opinions in a category and a feel for the overall category dynamics we might want to put some sizes and probabilities on those
- Sound measurement is useful to gaining credibility for our plans

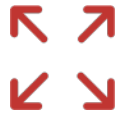


Quantitative research

- Quantitative research uses surveys to measure market characteristics, attitudes and behaviours
- A questionnaire is the instrument we use at this stage
- Questionnaires should usually not be used for exploratory purposes



Use quantitative research to



Calibrate
market size



Establish facts
about the market



Measure relative strength
of perceptions



Show
relationships



Predict
outcomes

Qualitative or Quantitative?



The decision as to whether to approach a research project using qual or quant should be driven by whether you are building theories (generally qual) or testing them (generally quant)



It can also be driven by the available pool of respondents you can talk to



Every category and every situation is different, however qual usually comes earlier than quant

牛乳石鹸



お稽古で覚えることが
いっぱいのときほど、
なんにも考えない時間が
たいせつです。

さ、洗い流そ。

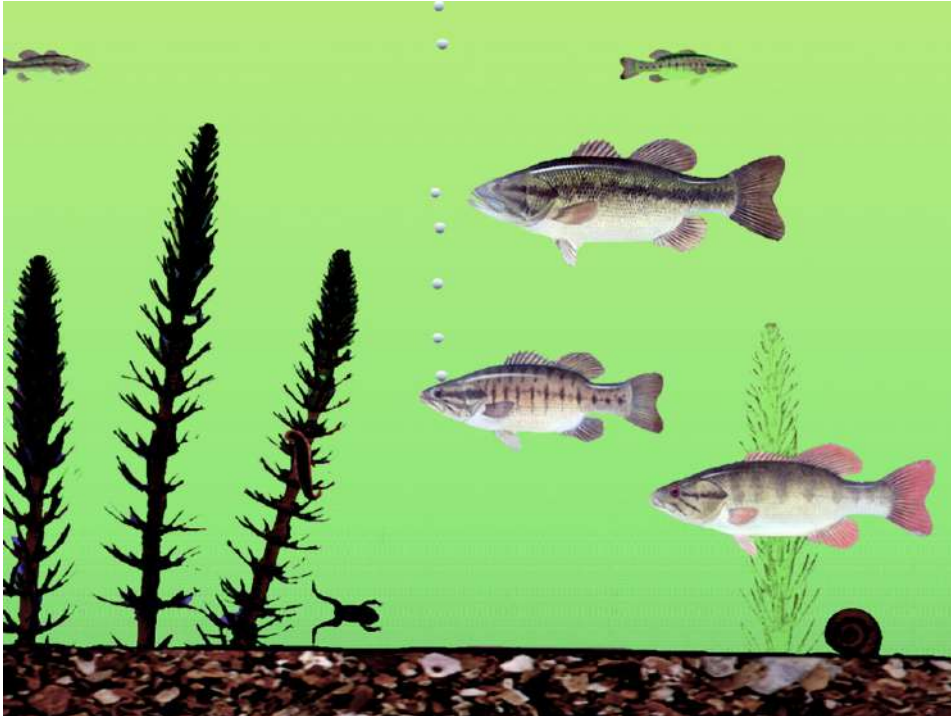
Beauty Soap
LIFE
DESIGN

Culture and
market research

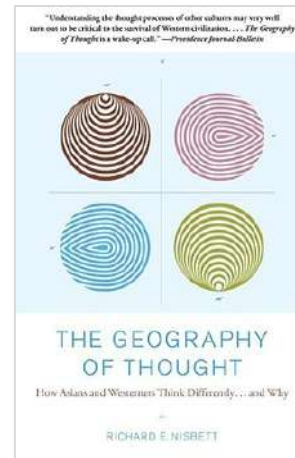


As researchers, our questions and answers are always influenced by culture

The experiment: 'What do you see in this picture?'



Source: The University of Michigan Institute for Social Research

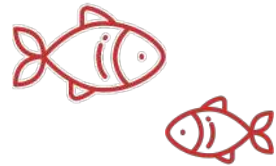


Can we even trust what we observe?

The experiment: *'What do you see in this picture?'*



We perfectly replicated the results with a similar picture in our own team in Tokyo

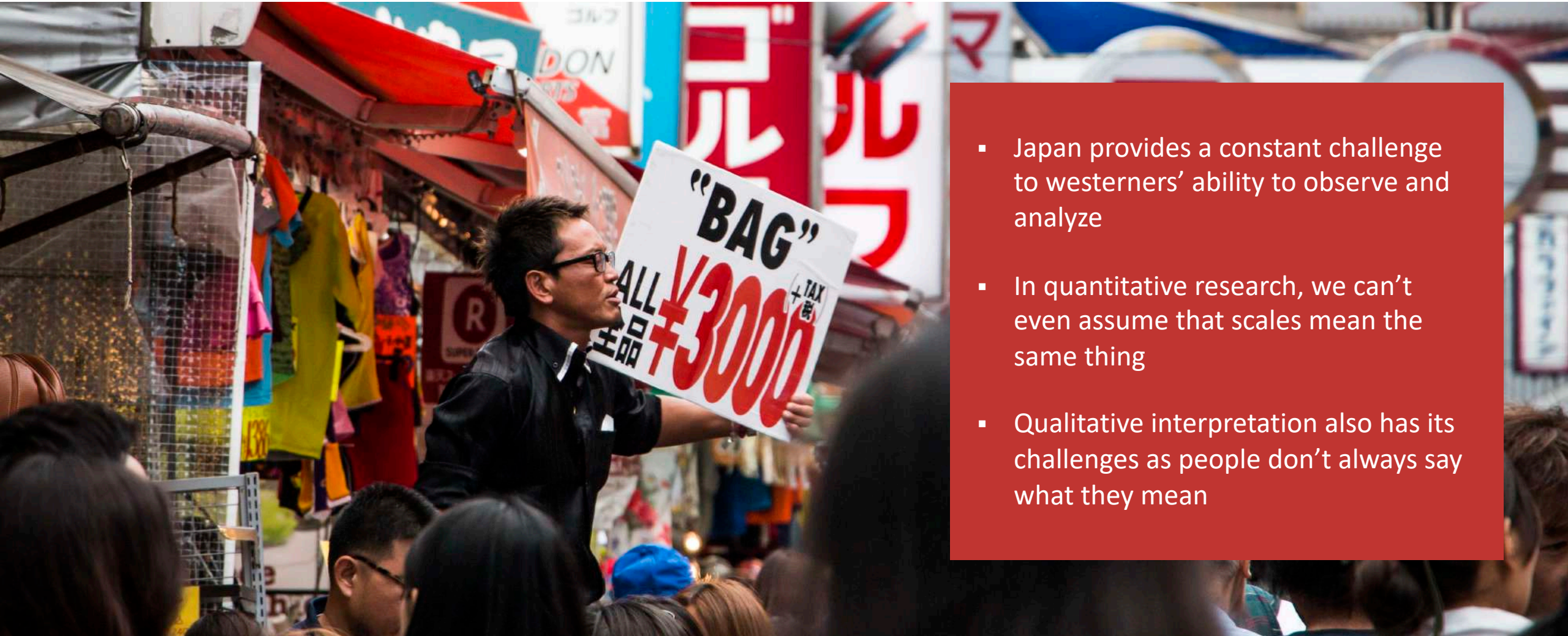


**Australians + Japanese
who lived in Australia**
commented on the fish and what
they were doing



Japanese colleagues described
the field and/ or the relationships
in that scene

Different thoughts, different meanings



- Japan provides a constant challenge to westerners' ability to observe and analyze
- In quantitative research, we can't even assume that scales mean the same thing
- Qualitative interpretation also has its challenges as people don't always say what they mean



Question everything

Create space
for doubt

The job of the researchers



- We **can't** instantly fix a profound case of cultural misfit, or an inability to adapt
- We **can** map the oppositions and identify the productive paradoxes
- Workshop the resolution
- Looking for innovative, disruptive opportunities that appreciate we are the same, but we are different



Thank you for
listening!