

Market Segmentation, Qualitative Research and Conversations Across the Garden Wall

Market Research Valedictory Lecture

Lawrence Bailey C.Psychol.

Leeds Business School and Lawrence F Bailey And Associates



02 May 2011



WHAT KIND OF QUALITATIVE RESEARCH IS ON OFFER?

*"The worlds of academia and business are ... as far
apart as two planets in different galaxies"*

- Wendy Gordon (1999)



Qualitative research is not exclusive to the market research industry

- 'Classic' qualitative market research emerges from 'motivational' research of the 1960s
 - an 'applied' version of techniques from psychotherapy and social psychology



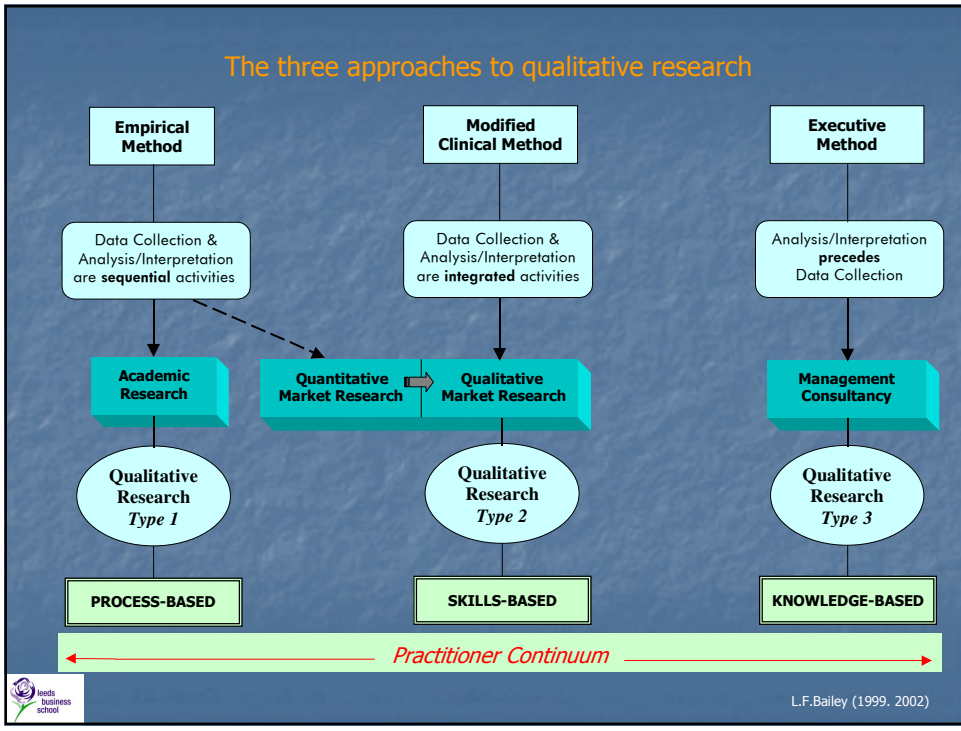
Qualitative research is not exclusive to the market research industry

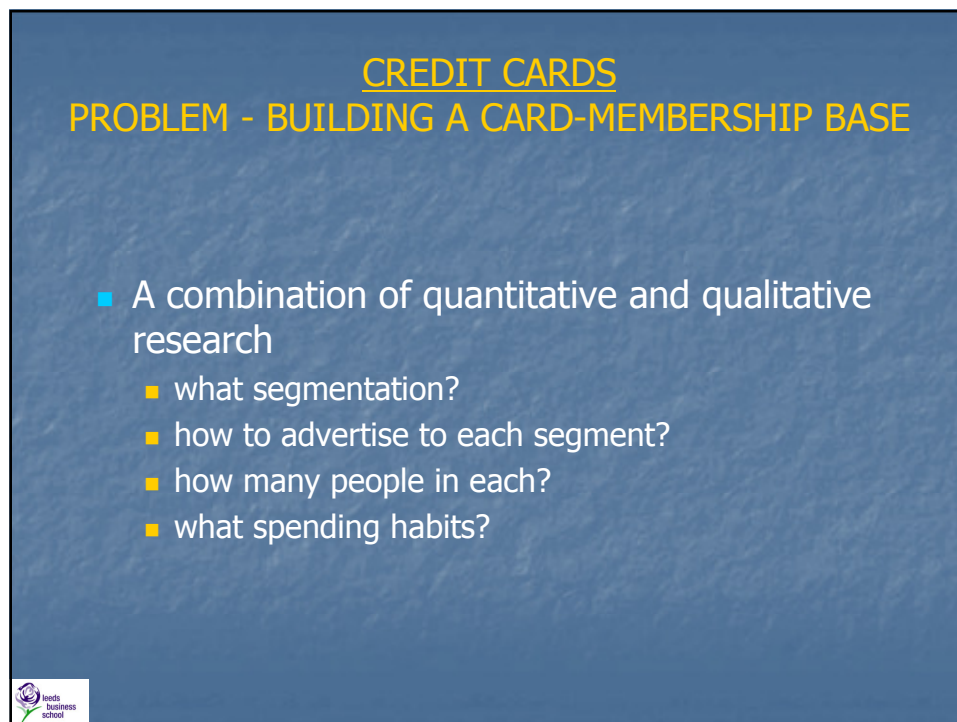
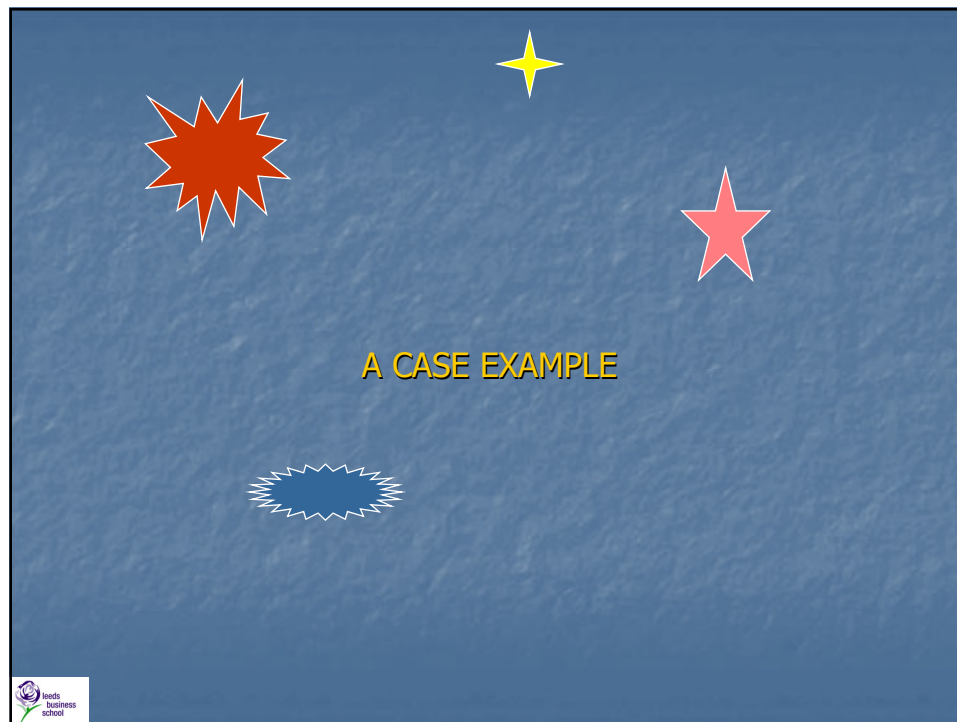
- 'Classic' qualitative market research emerges from 'motivational' research of the 1960s
- Academic researchers increasingly value qualitative methods from 1991
 - report to B.P.S. Scientific Affairs Board



Qualitative research is not exclusive to the market research industry

- 'Classic' qualitative market research emerges from 'motivational' research of the 1960s
- Academic researchers increasingly value qualitative methods from 1991
- Management and marketing consultants claim qualitative methods in late '90s



FINDINGS FROM QUALITATIVE RESEARCH

A Psychographic Segmentation



- Message: "It's new"
- Motive: Add it to your collection
- Payoff: More is better



CARD
NATURALS

CARD
SCEPTICS

- Message: "Here are ten good reasons"
- Motive: Get something you need
- Payoff: Wise, objective advantages




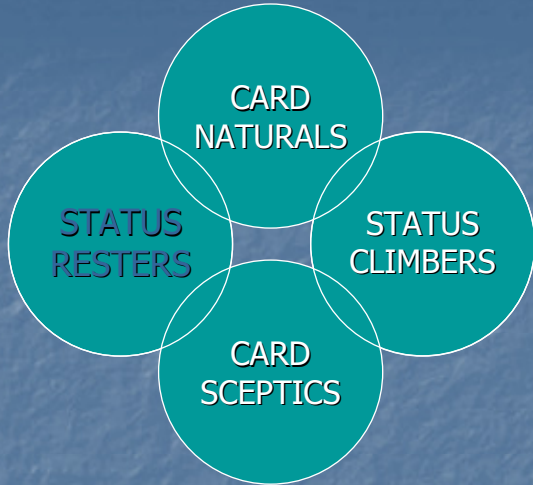
CARD
NATURALS

CARD
SCEPTICS


STATUS
CLIMBERS

- Message: "Have you made it??!"
- Motive: Get this card to prove it
- Payoff: Feel important



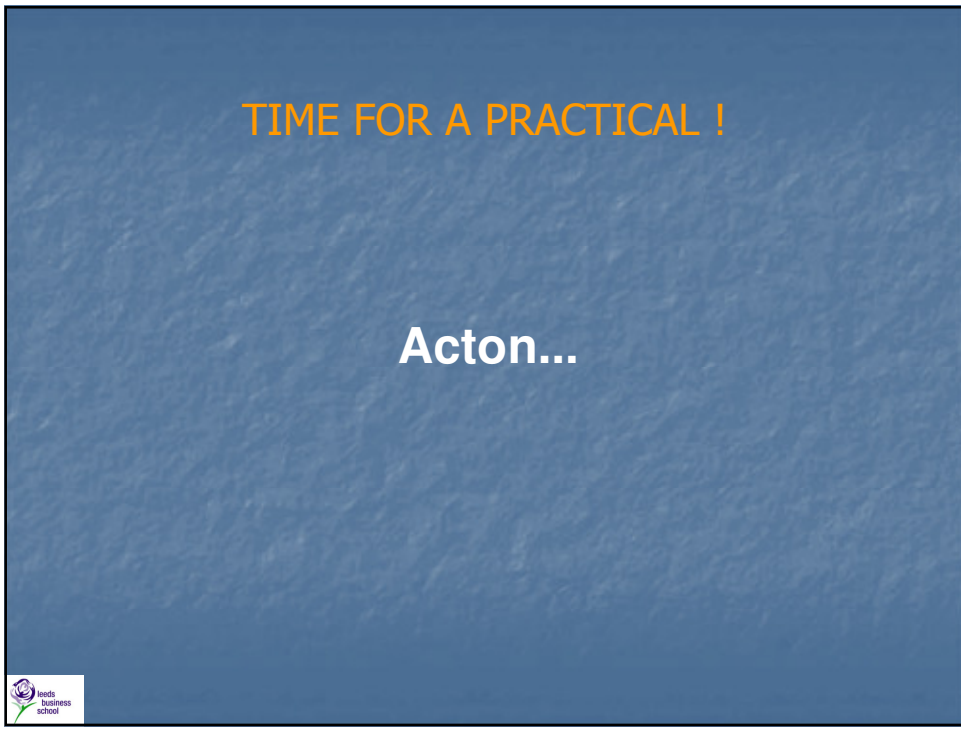


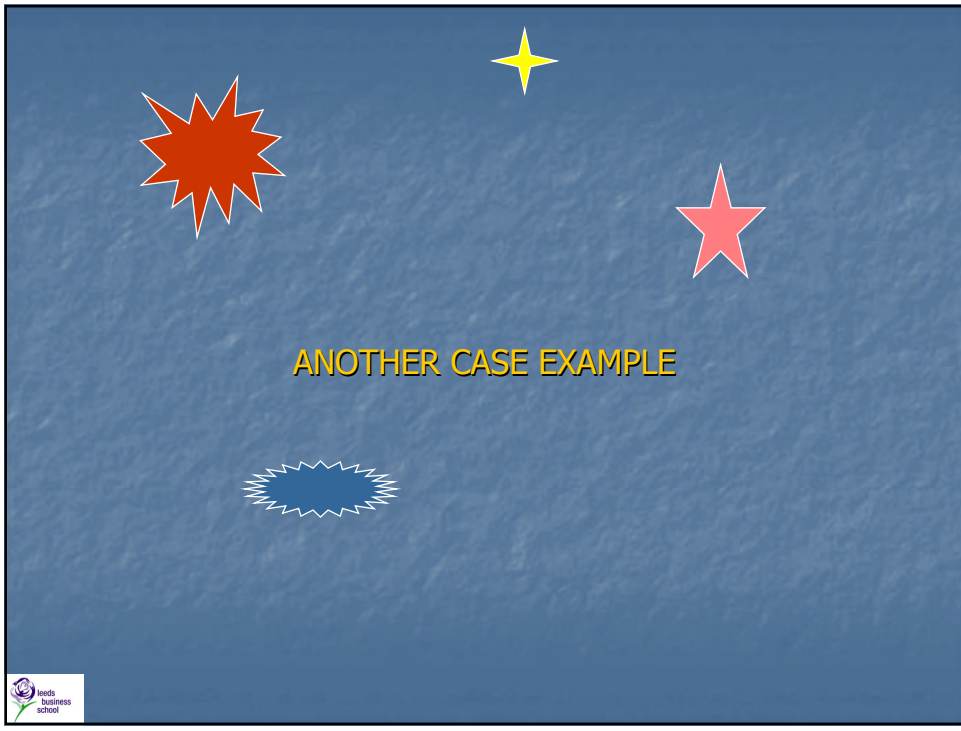
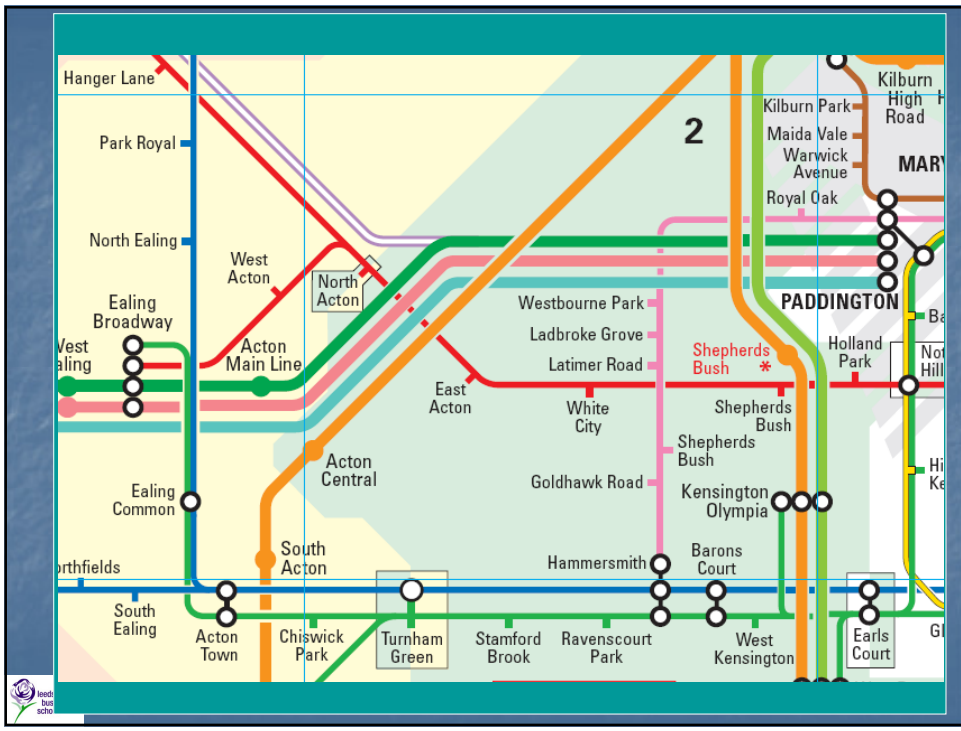
- Message: "Relax - you've made it!"
- Motive: Award yourself this card
- Payoff: Doing the right thing



- Message: "We won't lead you astray"
- Motive: 'Ne'er borrower nor lender be'
- Payoff: Confirming control







DIGITAL RADIO

- SOMETHING COMPLETELY DIFFERENT



DIGITAL RADIO: product features

- Provides 'CD quality' sound and perfect reception
- Delivers more stations and automated selection
- Provides information linked to the programme
- Can offer extensive links to back-up information



INTEREST IN DIGITAL RADIO FEATURES - SURVEY FINDINGS

- % very/fairly interested (1996)

Preset buttons which tune themselves automatically	91
Perfect reception through a small aerial which never needs adjusting	90
Sound reception of near-CD quality	89

Sample: 1018 radio listeners

Source: BBC / BMRB International



MOST IMPORTANT FEATURES DIGITAL RADIO COULD OFFER - SURVEY FINDINGS

- % (1997)

Sound Quality	65
Information services	19
New stations	13

Sample: 520 adults (TGI)

Source: BBC / BMRB International

CONCLUSION:
"Sound/reception quality is by far the most important driver"



UNDERSTANDING LISTENERS
- in order to package the right benefits

A SERIES OF QUALITATIVE RESEARCH
PROJECTS PROVIDES A *PSYCHOGRAPHIC*
SEGMENTATION



1. EXPLORERS



- Inquisitive and confident
- Want easy switching
- Enjoy searching by programme-type



2. SCHEDULERS



- Like to program a pattern of listening
- Know what they want, regardless of station
- May be habit-bound
- Don't want to miss a favourite programme



3. FEARFUL TUNERS



- Fear that re-tuning means losing your station
- Need equipment that *looks* simple
- Value feedback that the right station has been found



4. WALLPAPER LISTENERS



- Leave one station on all day
- Find radio comforting...
- ...like a flickering coal fire



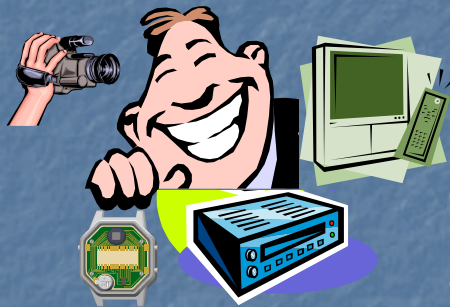
5. STATION LOYALISTS



- Leave one station on all day
- Mentally 'tune in' when a favourite programme is broadcast
- Like a reliable style for their favourite station



6. TECHNO-RECEPTIVES



- Own lots of domestic technology
- Tend to be male, often very extravert
- Want a battery of new facilities

... and one more, very odd category ...



7. SOUND-SYSTEM WARRIORS



- Appear to be exclusively male, 17-25
- Intensely competitive
- Want peer-group approval
- The 'best' audio gadgetery and performance wins



PACKAGING DIGITAL RADIO BENEFITS FOR MAXIMUM APPEAL

Listener Type	More Stations	More 'Data'	PC Connect	Auto Tuning	Sound Quality
Schedulers	☺	☺			+
Explorers	☺	☺		+	+
Fearful Tuners				☺	+
Wallpaper Listeners	+			+	+
Techno-receptives	+	☺	☺		☺

☺ = best purchase 'triggers' + = additional post-purchase reward

DELIVERING TOP-QUALITY QUALITATIVE MARKET RESEARCH

So...

How do we, on both sides of the garden wall, ensure that this is done?



DELIVERING TOP-QUALITY QUALITATIVE MARKET RESEARCH: The challenge on the academic side

- Can we *train* as well as *teach* ?
- Can we teach *interpretation* as well as *process* ?
 - It may require cross faculty co-operation...



DELIVERING TOP-QUALITY QUALITATIVE MARKET RESEARCH: The challenge on the research agency side

- Can we achieve a real partnership with our clients?
 - Researcher skills + Client knowledge = Better Marketing
- Can we defend our professional standing?
 - Beware the dreadful Survey Monkey...
 - Where is the Market Research Society?



See also:

Bailey, L.F. (2002) Decision Resource Consultancy: a convergence of disciplines that aid consumer marketing, *Journal of Consumer Behaviour*, vol.1, 4, pp. 400-406.

The lecture available at:

<http://www.youtube.com/watch?v=WdQREwSRu7g>

02 May 2011



THE END