I Beg Your Pardon?
(The Value of Unexpected Research Results)

Category: *Business-to-Business (B2B) Electronics*

Methods: *Profiling, International Research, Business-to-Business (B2B) Research, Attitude/Awareness/ Usage Research, Diagnostic Research, Problem Solving, Teamwork*

Summary

A leading device manufacturer discovered that previously held beliefs about the philosophical differences between U.S. and Italian office workers that were driving marketing simply weren't accurate at all. The research that was originally designed to identify how to *penetrate* a market was ultimately used to identify how to *encourage switching* from a competitor's product.

Strategic Issues

As office workers have evolved from working primarily in one role in a single department to working across a company in a variety of roles, the market for electronic peripheral devices has grown. Long past are the days of a desk with a simple telephone, pad of paper, and ink pen. The plethora of electronic peripheral manufacturers elbow each other in their efforts to sell the latest gadgets to help us navigate our workdays effectively and efficiently.

A leading manufacturer in this industry approached Decision Analyst with a puzzle. They had experienced global success for many years, but noticed that their performance in one market—Italy—was not comparable to other similar markets in the region. In-country sales representatives (a small group) had reported that Italians were much more style-conscious than others. They also told of a recent, widely seen movie released in Italy that portrayed office workers with their peripheral devices as "enslaved" and "pathetic."

According to the local team, adherence to the popular and uniquely Italian *la bella figura* philosophy* resulted in a much smaller market penetration for these devices. In fact, they estimated penetration to be one-tenth the penetration in the U.S. Consequently, sales efforts were focused on higher-level managers who they felt other office workers would wish to emulate and who could "push" product adoption.

La bella figura ("The beautiful figure") is a philosophy that emphasizes the importance of presentation—how one looks, how one comports oneself, how one makes the best possible impression. It does not minimize the importance of function, but emphasizes the importance of form.

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Research Objectives

The task brought to Decision Analyst was to design a study to help identify necessary changes in the device design that would allow the company to enjoy the same level of success in the more design-conscious Italy as experienced in the U.S. Specifically, the research was designed to survey end-users/ potential end-users to understand the following about this market:

- Awareness/Knowledge
- Product relevance to workers' success
- Feelings about using the product
- Usage
- Satisfaction
- Loyalty
- Expectations/Desires (both tangible and intangible) for a successful product
- Purchase intent
- Adoption barriers
- Adoption drivers
- Compelling sources of information

Research Design and Methods

To ensure the highest quality data that met all the research and business needs, a team was formed consisting of the client's U.S. market researchers, the client's Italian sales representatives, Decision Analyst's client service group, and Decision Analyst's international research group. This team developed a 20-minute online survey that incorporated a variety of modules to ensure that current users, rejecters, and potential users were all asked about their specific attitude, awareness, and usage issues within the context of their personal situation. (For example, current users were asked about the brand they used and the brands they considered; rejecters were asked about the brand they used, the brands they considered before choosing that brand, and what brands they might consider in the future, etc.).

Appropriate screening questions were used to ensure qualified respondents; the questionnaire was translated, and the survey was tested extensively by all team members and then launched to a randomly selected representative mix of office workers. (While the questionnaire was translated into Italian, potential respondents were allowed to choose if they would prefer to respond in Italian or English, to ensure we did not inadvertently block office workers who were not native Italians.)

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Results

After launching the survey, we all sat in eager anticipation of the findings that would allow us to understand the remarkably low penetration of these devices, and how best to design a winning product. However, what we discovered first was that the incidence of current users in Italy was not one-tenth of the U.S. incidence. It was *the same* as the U.S. incidence. Expecting that 5% of the office workers were users and finding that 50% were users set heads to shaking and alarm bells ringing. How could the estimations be so far off? Further, results showed that a competitor, known to market directly to consumers and not to businesses, was doing a booming business among office workers, and the Italian sales representatives were unaware of this.

The full team rallied and brainstormed for hypotheses to test. The Italian sales team was adamant that their information was correct, so Decision Analyst elected to field a screener survey to assess incidence using a partner sample-provider's sample. The client approved the choice of partner sample provider, and we launched the screener. While we have always had excellent results with our panels, we were willing to test the possibility that our panel had somehow become skewed to users. However, the answer was the same. Our panel's results and the partner's panel results were within one percentage point. So now what?

Having determined that the research was accurate, the only recourse was to revisit the Italian sales representatives' data. Once the team began researching *how* they knew what they knew, they discovered that the information source was anecdotal evidence supplied by prior workers, and that it had never been verified. The team had believed it was accurate and conveyed it to their U.S. counterparts, who also believed it was accurate. And since they all believed the issue was lack of penetration due to design, the sales efforts were restricted to the same contacts they had been focused on previously—managers—who were not actually the primary decision makers.

Once calm was restored, the research data was used to reset efforts—rather than focusing on how to penetrate the market, the data was analyzed to identify how to entice current users to switch from the competition. The data demonstrated that *la bella figura* was not as strong a driver for this particular product as previously believed, and messages were tweaked to present the myriad of features/benefits available that were identified as important. Last, the sales efforts were redirected to end-users, and attention to consumer-focused competitors (as opposed to B2B competitors) was increased as our client realized the actual role end-users and competitors played.

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