

“What’s Behind the Curtain”

Audience & Donor Research Symposium

November 17, 2016

Presented by



Don Morgan
Senior Partner,
GMA Research



Nancy Hardwick
President,
Hardwick Research



Max Israel
President,
Customerville



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Introductions

Today's Presenters

Presenters: Don Morgan



- **Don Morgan is Senior Partner and Founder of GMA Research Corporation**, headquartered in Bellevue, Washington, a leading national independent marketing and public opinion research firm .
- GMA conducts research studies for many consumer and related sectors including destinations/resorts, restaurants and hospitality brands, the arts, entertainment, government and non-profit organizations.
- Mr. Morgan has an MBA from Portland State University in Portland, Oregon with an emphasis in Management Science and Research. He has lectured and taught at several leading universities including the University of Puget Sound and the University of Washington as well as a guest speaker at conferences and symposiums throughout the country on research techniques, consumer trends and conducted seminars on research planning including focus groups and survey methods.
- Professional associations include Marketing and Communications Executives International (Member – Board of Directors), American Marketing Association (Past President), Puget Sound Research Forum, Qualitative Research Consultants Association, and ESOMAR (European Society for Marketing Research).

Presenters: Nancy Hardwick



- **Nancy Hardwick, President, Hardwick Research –**
- Nancy has been working in the market research industry for nearly 30 years. She incorporates both qualitative and quantitative techniques in her practice. As a sought after moderator, skilled listener, and effective communicator, Nancy enjoys the challenge of uncovering why people do what they do. She has served as President of the International Qualitative Research Consultants Association and the Puget Sound Research Forum. She is currently Treasurer for the Pacific Northwest Social Marketing Association.

Presenters: Max Israel



- **Max Israel, Founder, CEO of Customerville**
- **Customerville, the innovative Customer Experience Management platform used by companies in over 20 countries. Max Israel founded Customerville in 2003 in response to a problem: He was the owner of a chain of retail stores in the United States and needed a way to put clear information about how customers perceived their experiences directly into the hands of his employees. Today, Max's company works with brands in over 20 countries and in a wide variety of sectors including airlines, hotels, medicine, insurance, banks and retail. In the Northwest this includes reference brands including Alaska Airlines, Premera Blue Cross and Safeco Insurance.**
- **Max has authored articles and white papers on the rapidly evolving field of measuring customer experience. These range from an analysis of how customer feedback initiatives can use the techniques of theatre actors to an examination of how we can reduce the effect of survey fatigue by studying Asperger's Syndrome.**

LET'S BEGIN

WHY RESEARCH?

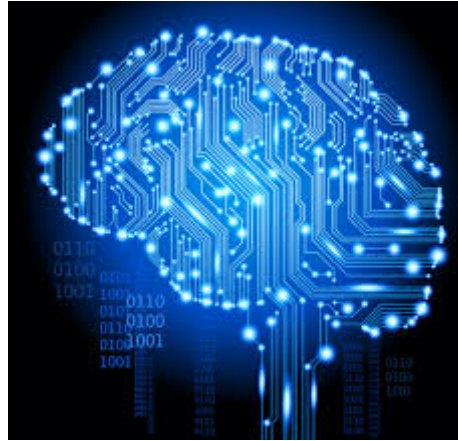
- Changes in population
- Shifts in lifestyles
- Media habits – social media
- Competition – Time
- The economy
- Consumer trends
- Business trends
- World events
- Need to measure, monitor, take action.



Arts “Audiences”

- Subscribers/Members
- Lapsed Subscribers/Members
- Single Ticket Patrons
- Past Single Ticket Patrons
- Never Attended/General Public
- Talent
- Staff
- Volunteers
- Media/Critics
- Sponsors
- Financial Supporters
- Others?

RESEARCH IS: “STRATEGIC INTELLIGENCE”



*Strategic intelligence pertains both to the collection, processing, analysis, and dissemination of **intelligence** that is required for forming policy and plans*

STRATEGIC INTELLIGENCE

- *Changes in technology, customer demands, competition, and the social character challenge organizations to innovate and change. How they change depends on their leaders, and their knowledge, and philosophy. To create a better future for organizations and to improve the wellbeing of customers, collaborators and communities, leaders need to be strategic thinkers.*
- (Strategic Intelligence - Conceptual Tools for Leading Change - Michael Maccoby)

KEYS TO EFFECTIVE RESEARCH

- IDENTIFY YOUR INFORMATION “NEEDS” VS “WANTS”
- SET PRIORITIES
- CHOOSE RESEARCH METHODS WHICH MATCH NEEDS AND BUDGET
- INTEGRATE RESEARCH INTO YOUR ONGOING OPERATIONS AND PLANNING.
- INCORPORATE RESEARCH AS A WAY OF THINKING...PART OF THE CULTURE

QUALITATIVE RESEARCH

Nancy Hardwick



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Qualitative Research



Presented November 17, 2016

ArtsFund Research Seminar

By Nancy Hardwick, Hardwick Research



MARKET RESEARCH SERVICES

Qualitative vs. Quantitative

Do you want to uncover the “why” behind the behavior?



Qualitative

- Focus Groups
- Online Focus Groups
- Bulletin Board Discussions
- In-depth Interviews
- Usability Testing
- Ethnography
- Mobile Research

Do you need the results to be statistically significant/representative of your target population?



Quantitative

- Telephone Surveys
- Online Surveys
- Mail Surveys
- Intercept Interviews

In Depth Interviews

A photograph showing two women in an office setting. The woman on the left, with long brown hair and wearing a black top, is smiling broadly and looking down at a document on the table. The woman on the right, with blonde hair tied back, is seen from the side, looking towards the first woman. The background shows a white wall with a door handle.

Often referred to as IDIs or one-on-ones, they are used to uncover beliefs, behaviors and motivations of respondents.

Focus Groups

A modern conference room with a large wooden table, orange chairs, and large windows overlooking a cityscape. The room is brightly lit with natural light from the windows and two pendant lights hanging from the ceiling. The table is surrounded by orange chairs, and there are papers on the table. The windows provide a view of a city with mountains in the background.

Enable in-depth exploration into people's feelings and beliefs. Uncover the "why" behind behavior. Take advantage of "group think."

Focus Groups

Are...

- A type of qualitative research
- A group discussion which enables an in-depth exploration of people's feelings and beliefs
- A way to determine why people feel the way they do and how those feelings influence behavior

Advantages

- Provides opportunity for in-depth discussion
- Enables people to build on other's ideas
- Great for showing brainstorming exercises, showing visuals, and introducing new concepts
- Allows opportunity to get to know members of your target market

Disadvantages

- Cost
- Non-participation
- Not projectable/reflective of the population as a whole

Determine Objectives/Methodology

1. Clarify background

- *Why are you doing this research?*
- *What do you already know?*

2. Identify purpose of the study

- *What do you want to learn?*

3. Identify topics to be covered

- *What specific questions are you trying to answer?*
- *If you could ask any question, what would it be?*

4. Identify use of findings and results

- *How do you intend to use the results?*

5. Limit subject to get depth rather than breadth

FG Discussion Guide

Tool

- Forces you to think carefully about what you really want to learn
- Provides a guideline to make sure everything is covered
- It's only a "guide". Jump around, adjust timing, add or subtract as needed

Introduction



15 minutes

- Provide background
- Set expectations and share "rules"
- Introductions

Warm-up



15 minutes

- Brief exercise
- Low anxiety questions
- Help to feel safe and comfortable with group

Investigation



75 minutes

- Questions and activities designed to elicit and uncover

Conclusion



15 minutes

- Wrap-up
- Final summarizing question (s)

Good Probing Questions

To get beyond “top of mind”

What do you mean by that?

Tell me more.

How come?

What makes that important?

What is the main reason? What are some of the key reasons?

How does that differ from?

Does anyone feel differently?

What did you say to yourself?

I know where she’s standing, where are the rest of you?

Tell me more about the experience you had?

What led you to this point?

What drives your thinking toward that belief?

If you could change just one thing about that, what would it be?

What would have to change in order for you to?

Picture Deck

Pick an image that best represents how you feel about _____



Which image did you pick? Describe what about that image represents how you feel about _____

The Back Room: Behind the Mirror

When viewing focus groups...

1. You have a dual role in this qualitative process
2. Consider what is really being said
3. Leave your bias in the office
4. Remember the mirror is not a wall
5. Even though you are in the dark, no day dreaming allowed
6. Keep in mind that a dominant participant isn't always bad
7. Even though it has been a long day, stick around for the debrief

Tips for Analysis and Reporting

- Conduct at least two groups
- Bring note taker
- Record discussion
- Use easel sheets and handouts to capture info

- Do not report tallies – use only as directional information
- No charts or graphs
- Include participant quotes
- Leave out participant names

- Ideas must be held by several participants to “count”
- Conduct a debrief
- After groups completed, jot down key takeaways

- Photos of stimuli
- Past tense – it’s a snapshot, not projectable
- Confirm report format before writing

A photograph of a classroom with several students raising their hands. The background is a chalkboard with some faint writing. The image is split horizontally, with the top half showing hands and the bottom half showing the backs of students' heads.

Questions?

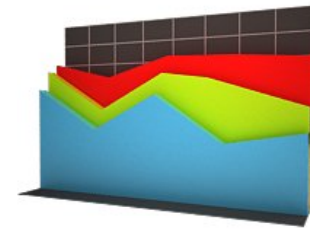
**HARDWICK
RESEARCH**

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QUANTITATIVE RESEARCH

QUANTITATIVE RESEARCH

- Projectable
- Scientific – statistical
- Telephone interviewing
- Onsite surveys –
 - face to face or kiosk
- Mail surveys
- Mall intercepts
- Online surveys – panels, customers, members, public



MOBILE/ONSITE SURVEY

- Self administered or face to face
- Immediate feedback during or after the experience
- Popular technique
- Customer venue, malls, events, destinations
- Inexpensive
- Great for problem solving or recognition
- 24/7 access to data/results
- Designed for kiosk, smart phone, tablet
- Or even clipboard & paper
- Develop a “Dashboard” of key metrics to measure



ONLINE SURVEY

- Preferred by public for survey use
- Participants complete at their convenience
- Very popular - potential fatigue
- Inexpensive – all electrons
- Host on your site or third party
- Results in real time
- Quick response if customer service issue
- Panels – Opt In
- Easy, simple to use – third party software





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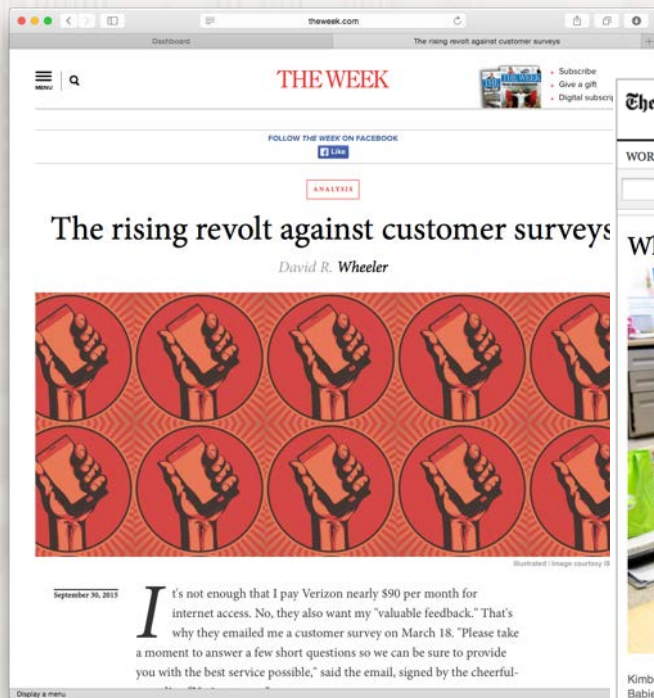
MIND BLINDNESS, ASPERGER'S AND SURVEY FATIGUE



Simon Baron-Cohen PhD
University of Cambridge

The Emerging Backlash: Survey Fatigue

- Tone-deaf surveying isn't only bad customer experience. It can get your brand ridiculed in the popular press and damage brand reputation.

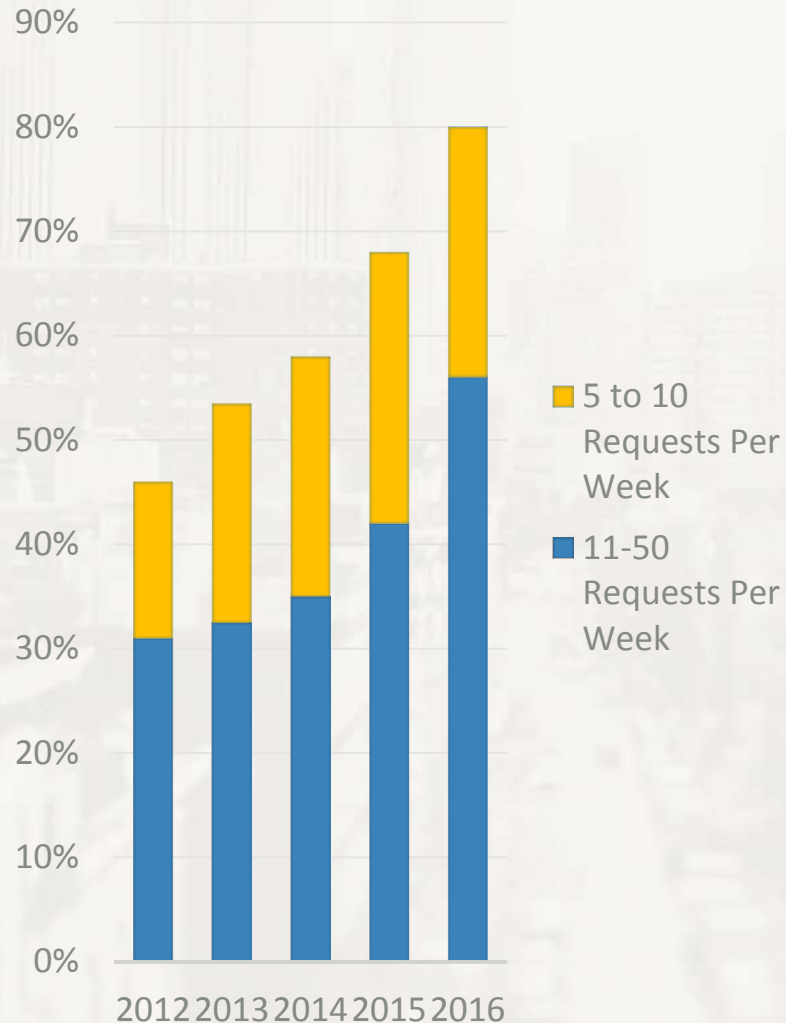


The Emerging Backlash: Survey Fatigue

- INCREASE: Number of organizations seeking feedback from you
 - 20 Billion in 2015
 - 40 Billion in 2016?
- INCREASE: Number of requests for feedback you get
- DECREASE: Survey response rates
- DECREASE: Brand perception
- Public skepticism about sharing data with companies



Customerville / GMA Research Study on Survey Fatigue



- In 2012, 46% of people were asked for feedback over 5x per week.
- In 2016, that number had climbed to 80%
- The increase between 2015 and 2016 was almost completely due to people asked for feedback 11-50 times/wk.

GMA RESEARCH

**Why do
people dislike
surveys?**

**“They’re too
long.”**

“Poor UX.”

**“The public’s
not interested in
sharing
feedback.”**

**“I don’t like conversations that take longer than 10 seconds”,
said nobody, ever.**

**What does a successful
feedback interaction look like
between people?**

What happens in healthy face-to-face feedback?

Sharer of
Story



Actions

- ✓ Often doing most of the talking

Receiver of
Story



Actions

- ✓ Doing most of the listening
- ✓ Demonstrating empathy: verbal and non-verbal acknowledgement
- ✓ Adjusting responses to meet emotional level

✓ Both sides leave the conversation feeling more invested in the relationship

What happens in unhealthy face-to-face feedback?

Sharer of
Story



Actions

- ✓ Often doing most of the talking
- ✓ Leaves conversation feeling less invested in the relationship.



Receiver of
Story

Actions

- ✓ Not listening authentically
- ✓ Either not sending non-verbal cues, or sending the wrong ones
- ✓ Failing to meet the sharer's emotional level

**Human feedback interactions
fail when empathy fails.**

Drawing Lessons from Asperger's Research

People who have **Asperger's Syndrome** can't always empathize. It makes conversations difficult for them – and for their interlocutors.

Simon Baron-Cohen PhD
University of Cambridge



Drawing Lessons from Asperger's Research

Simon Baron Cohen described this inability to empathize as **Mind-blindness**.

Mind Blindness is the inability to attribute mental states to the self and other. The individual may be unaware of others' mental states, or incapable in attributing beliefs and desires to others.

Simon Baron-Cohen PhD
University of Cambridge



Drawing Lessons from Asperger's Research

Therapists offer help by teaching techniques for mimicking these social cues.

- Creating conversational context
- The right physical reaction at the right time
- Knowing when to give back control of the conversation

Simon Baron-Cohen PhD
University of Cambridge



Survey fatigue and unsuccessful human feedback have much in common.

A failure to demonstrate empathy via nonverbal cues.

They also share common solutions.

Replicating the nonverbal cues people need to create engagement.

Does This Seem a Little Too Familiar?

Guest Room

Overall, how would you rate your ROOM at Singapore Marriott Hotel?

Excellent 10 9 8 7 6 5 4 3 2 Poor 1

How would you rate your room on the following items:

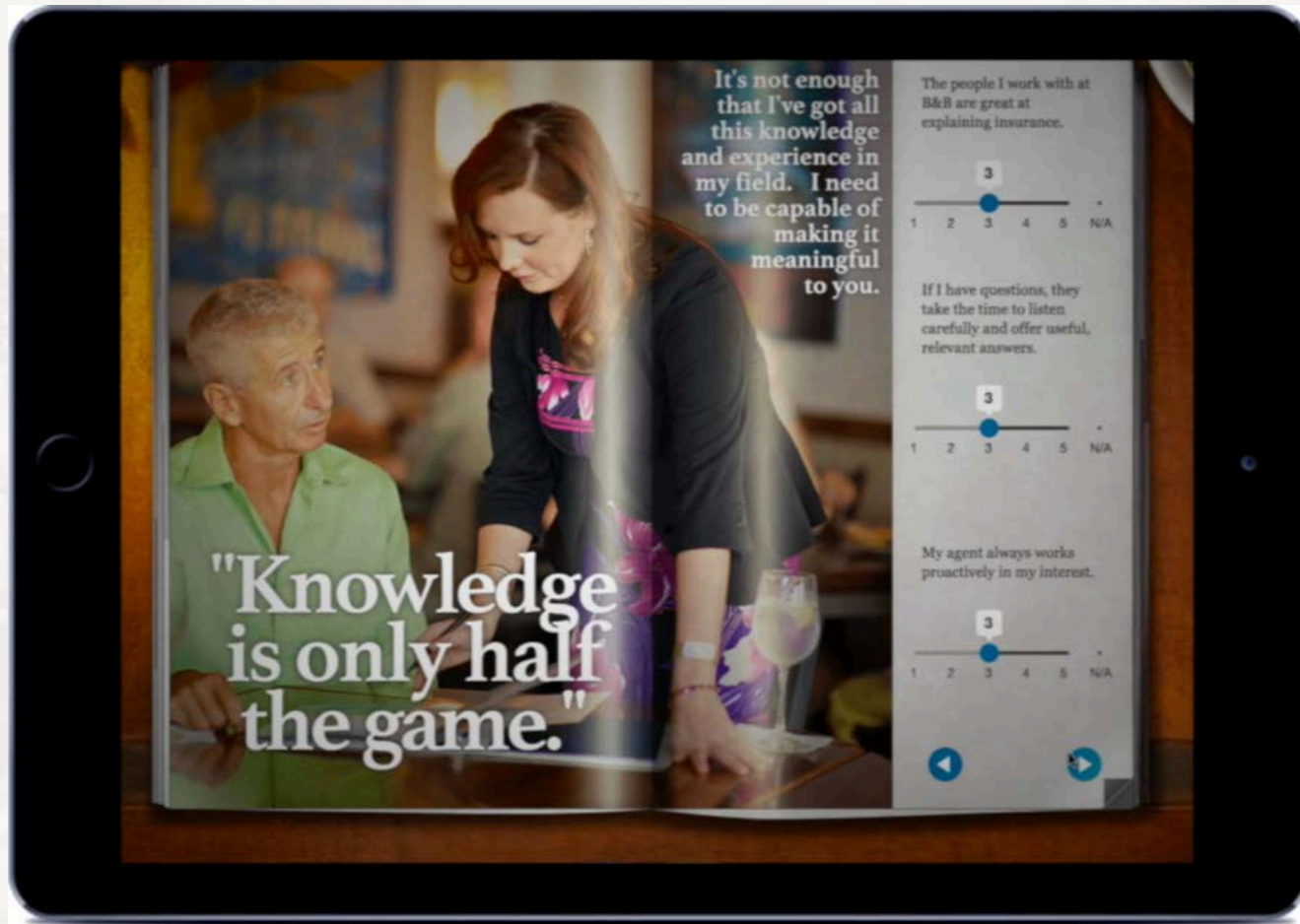
	Excellent 10	9	8	7	6	5	4	3	2	Poor 1	Don't Know
Having a comfortable bed	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Consistency of Internet connection while in use (e.g., no drop offs)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Being completely clean	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Speed of Internet met my needs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing an extraordinary work area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The bathroom overall	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Being comfortable for relaxing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Having everything in working order	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing easy-to-use high speed Internet access	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Smelling clean and fresh	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ease of logging on/accessing the Internet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

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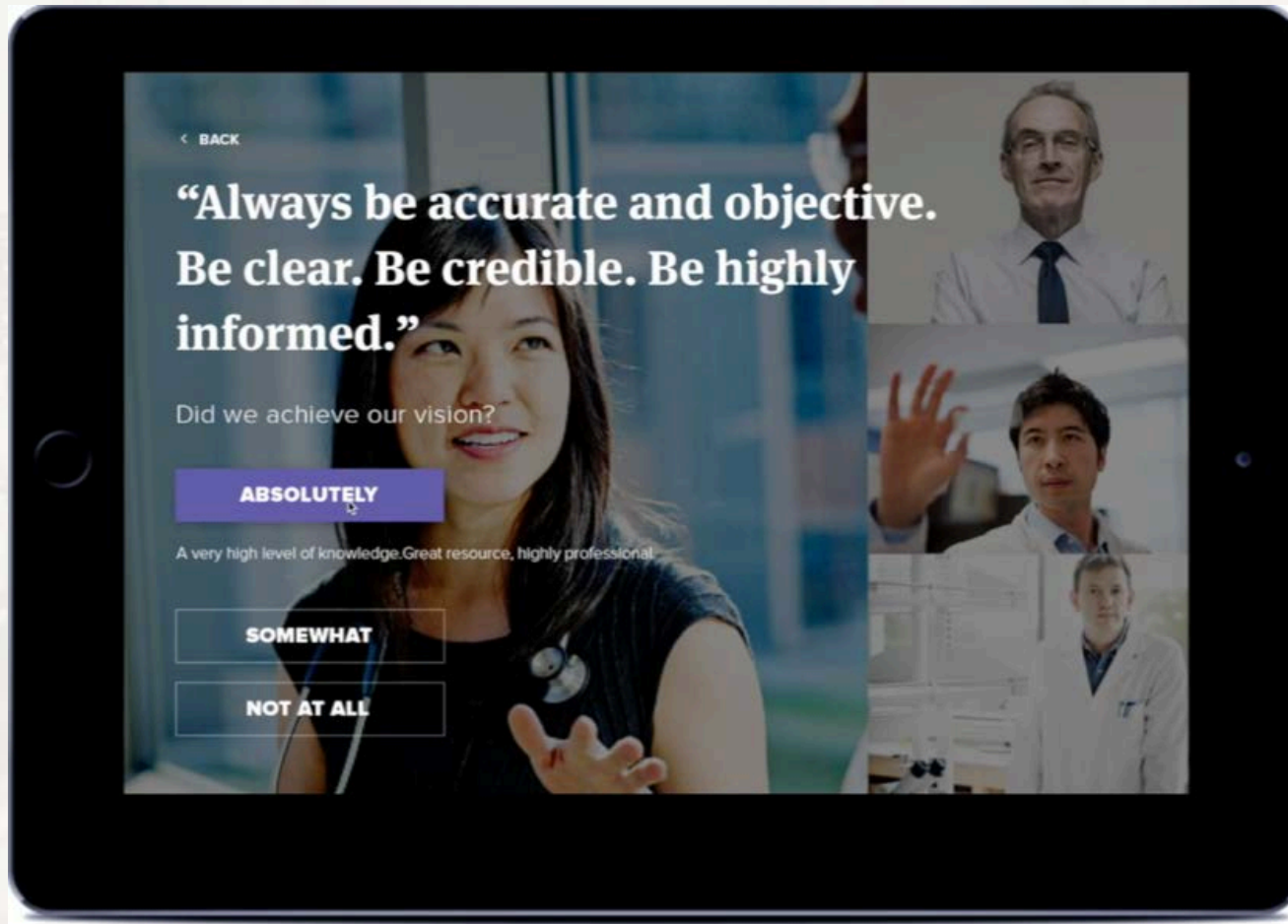
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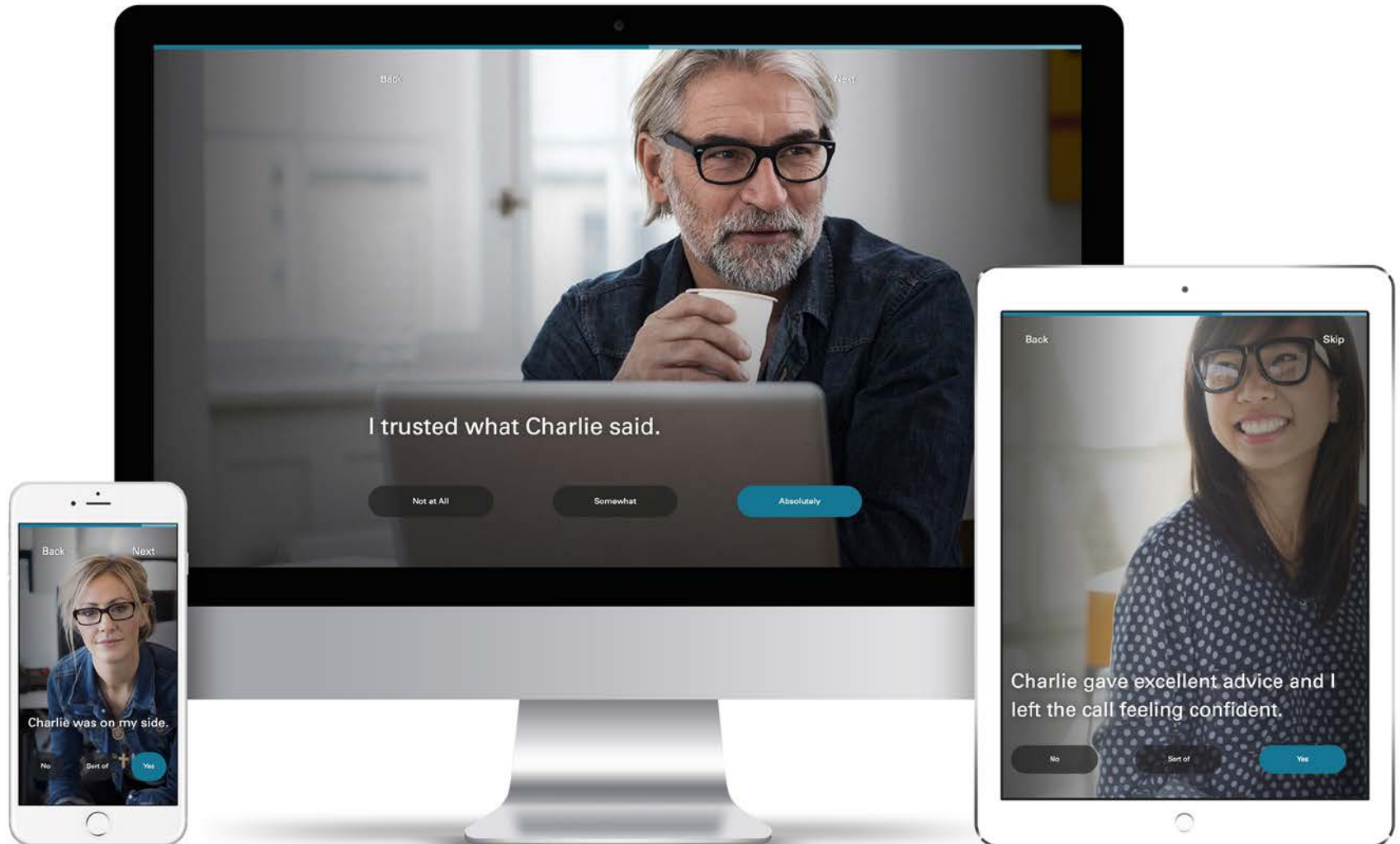
Example 1: Strive for a Conversation



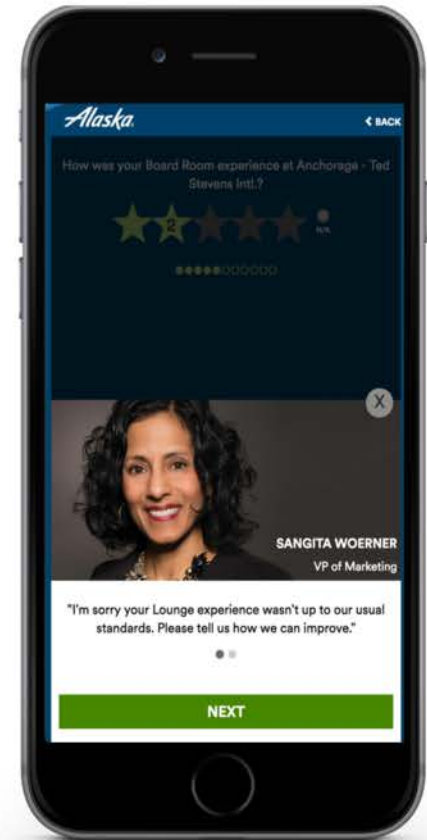
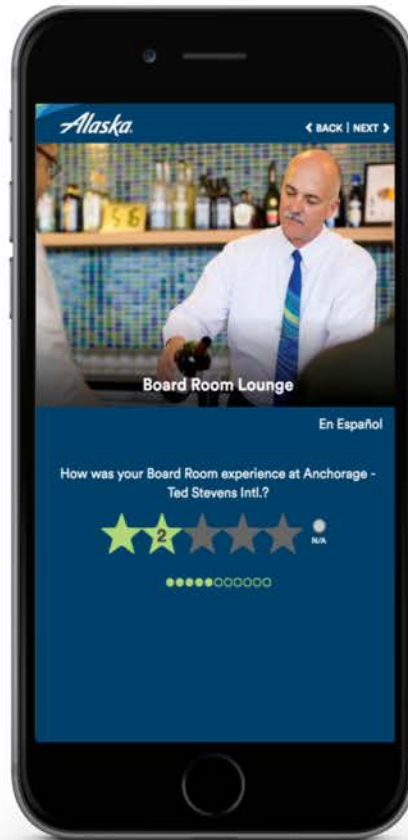
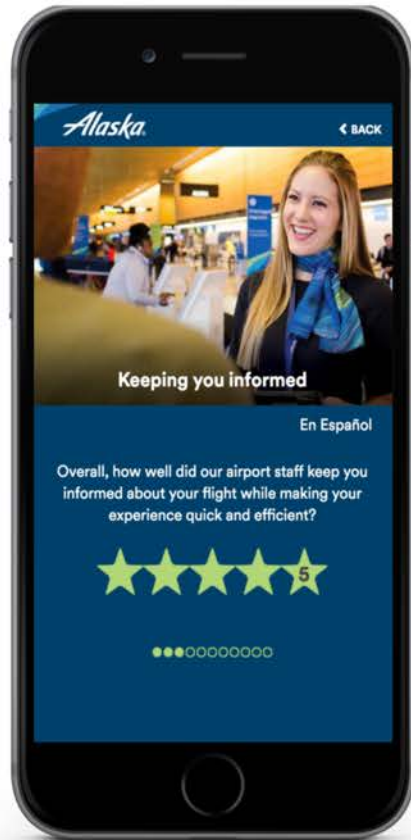
Example 2: Humanize the Experience



Example 2: Humanize the Experience



Example 3: Give Control As Necessary



Hardwired Social Instincts Are Tough to “Deactivate”

Hardwired Social Instincts Are Tough to “Deactivate”



Hardwired Social Instincts Are Tough to “Deactivate”



Hardwired Social Instincts Are Tough to “Deactivate”



The Best Feedback Programs Are...

About trust

Customers trust that your values of caring about their personal outcomes are authentic.

None of your actions must ever break that trust. There are no throwaway experiences.

Grounded in storytelling

People give context for everything. Emotional storytelling works so well because humans are wired to need it. (This is twice as true when asking for feedback.)

Inspirational & creative

Feedback is not a data collection exercise. Design-driven feedback seeks to delight the customer with how we ask, and inspire employees with how we share.

Innovative

Let's avoid standardization for the sake of standardization. Design-Driven feedback requires a deeper level of customer engagement that out-of-the-box thinking would provide.

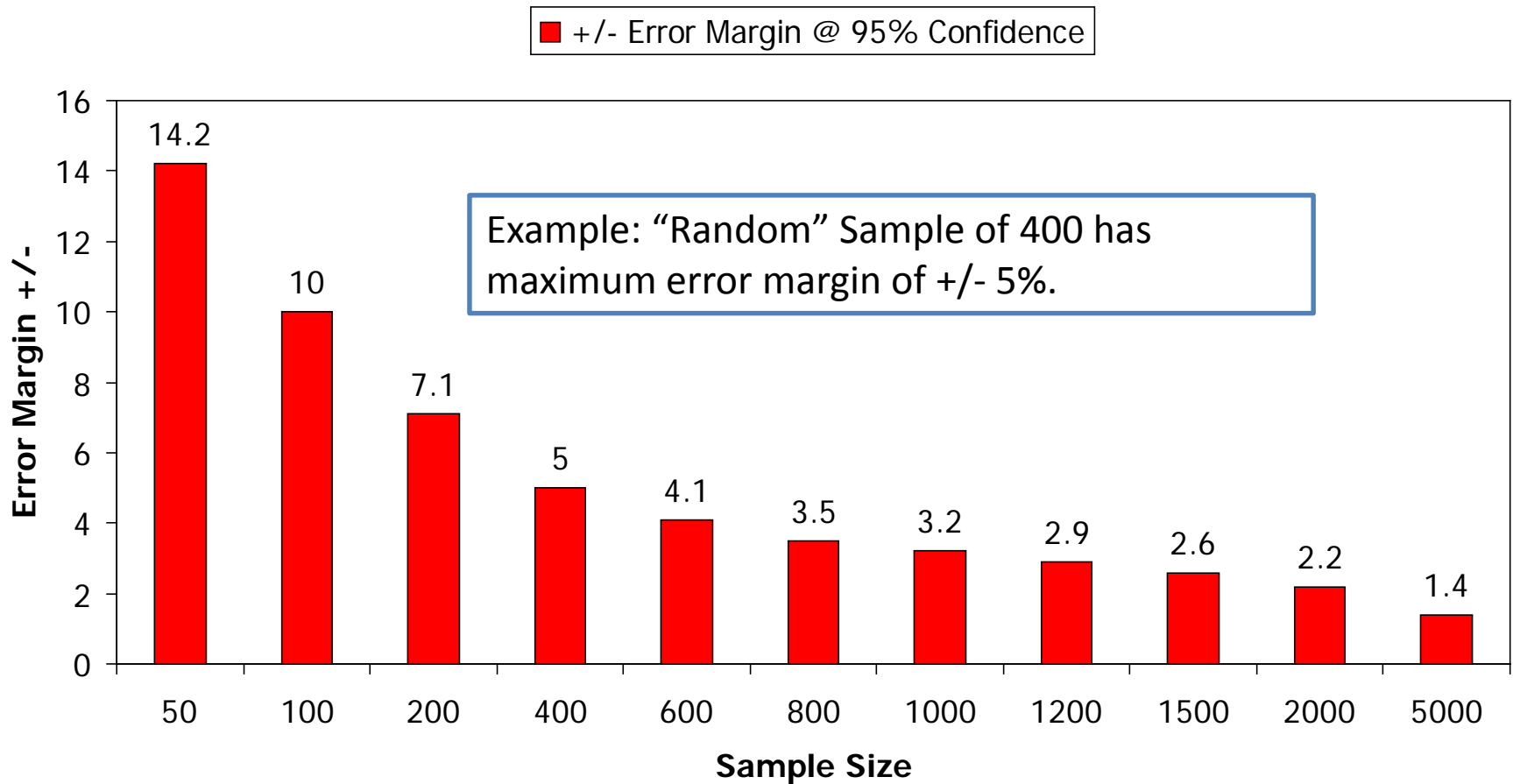
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Other Research Techniques: Need to know

Sample Size vs. Statistical Error Margin



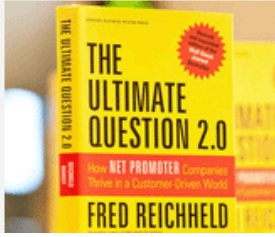
Mind Map – Word Clouds



The Net Promoter Score

NET PROMOTER SCORE





What is the Net Promoter Score?

- The **Net Promoter Score (NPS)** was established by a Harvard PhD at **Bain & Company** in 2003 to help companies measure and evaluate customer loyalty. Fred Reichheld, a partner at Bain & Company, created a new way of measuring how well an organization treated the people whose lives it affected.
- The NPS works by sending a quick, one question survey to your customers that asks them;
- *“How likely is it that you would recommend Company X [or Product X] to a friend or colleague?”*
- The question has a 1-10 rating scale for respondents to answer. With 10 being extremely likely to recommend and 0 being not at all likely. See a diagram below to visualize it better.

Calculating Your Net Promoter Score

The Net Promoter Score, or NPS[®], is based on the fundamental perspective that every company's customers can be divided into three categories: Promoters, Passives, and Detractors.

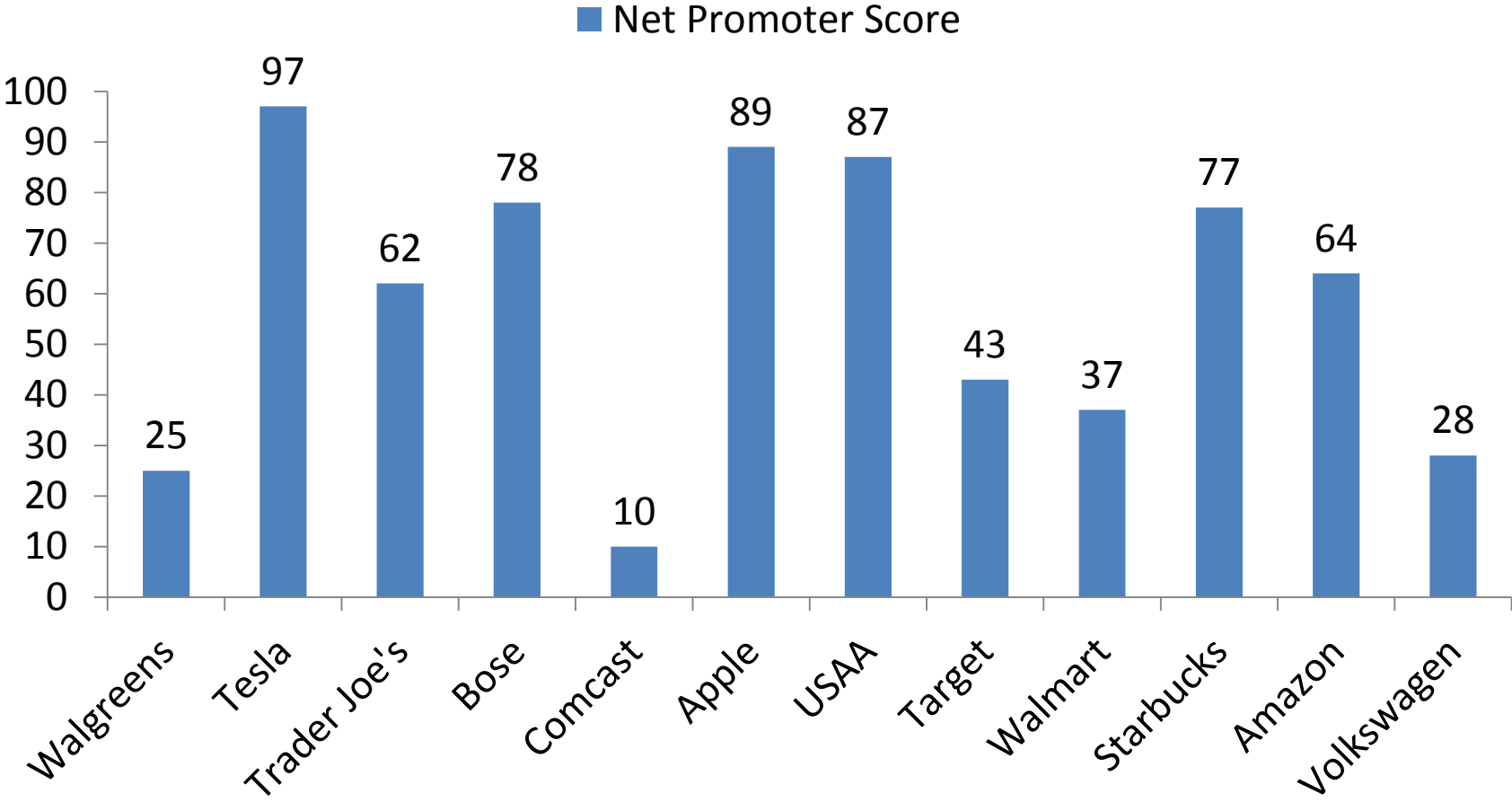
By asking one simple question — **How likely is it that you would recommend [Company X] to a friend or colleague?** — you can track these groups and get a clear measure of your company's performance through its customers' eyes. Customers respond on a 1-to-10 point rating scale (1=Not Likely At All, 10 = Very Likely) and are categorized as follows:

- **Promoters** (score 9-10) are loyal enthusiasts who will keep buying and refer others, fueling growth.
- **Passives** (score 7-8) are satisfied but unenthusiastic customers who are vulnerable to competitive offerings.
- **Detractors** (score 1-6) are unhappy customers who can damage your brand and impede growth through negative word-of-mouth.

To calculate the Net Promoter Score (NPS[®]), take the percentage of customers who are Promoters and subtract the percentage who are Detractors.



Net Promoter Scores



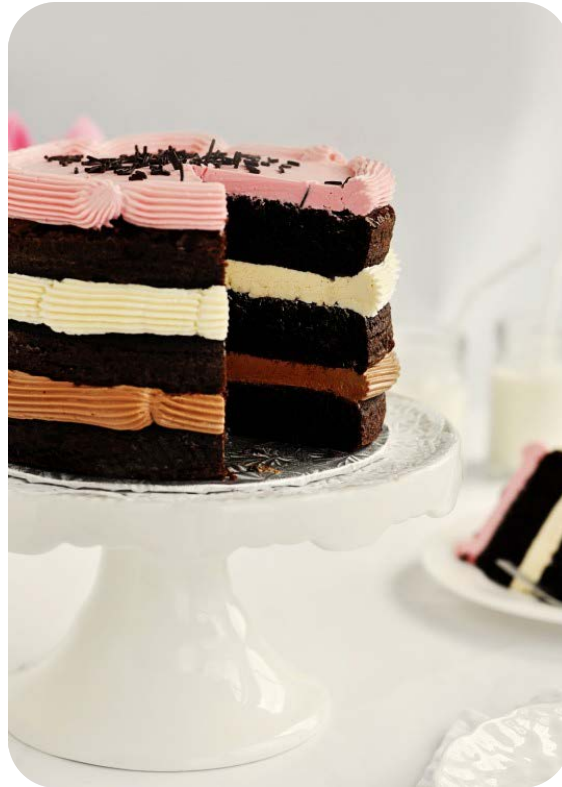
WHY IS THE NET PROMOTER SCORE IMPORTANT?

Why NPS is important:

- Promoters account for 80 percent of referrals in most businesses.
- Detractors account for 80 percent of negative word-of-mouth.
- Promoters generally defect at lower rates than other customers, which means that they have longer, more profitable relationships with a company.
- On average, an industry's NPS leader outgrew its competitors by a factor greater than two times.

LET'S BRING THIS HOME

Research is just one layer... but a very important one.



ARTSFUND 

Thank you! – Q&A



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