



research • strategy • planning

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W5 on International Marketing Research

As businesses expand and seek opportunities in international markets, the role of marketing research becomes increasingly important to the strategic decision-making process. Sound research and greater insight into the consumer and business mind will ultimately determine whether or not a brand or product can remain relevant to consumers and businesses with their own unique lifestyles, attitudes and aesthetics.

Why Conduct International Research?

Advances in technology, communication, and transportation have ushered an unprecedented era of business without boundaries and this rapid change in global markets has opened a fertile field for growth.

As growth in established markets slows, the greatest future market potential for many companies lies in:

- Understanding global trends and marketplace ideas
- Honing a global strategy that targets a new consumer and business set
- Assessing specific international opportunities in target markets
- Crafting individual strategies for a wide range of brands and products



Marketing Research to Meet the Needs of a Global Economy

The evolution of marketing research has roughly followed the development of our global economy: as the marketplace has stretched beyond traditional boundaries so has the need to understand consumers and businesses in new cultural contexts. A borderless, international product market has become the principal benchmark of methodological design.

This new age of borderless connectivity between consumers and the companies that serve their interests is at once a tremendous opportunity for any business large or small, but also a potential pitfall for those that choose to compete only in familiar hemispheres.

It is easy to be overwhelmed by the suddenly global possibilities of products and brands, but the key for companies that wish to be successful in the 21st century will be countering trepidation with knowledge; fighting ignorance of the potential size and scope of marketing with global learning that puts the needs of the consumer, regardless of location, at the forefront of international strategic decision making.

Basics of International Research

Almost any methodology can be adapted and coordinated for international markets, from quantitative research methods such as consumer segmentations and copy testing to qualitative methods such as ethnography, one-on-one interviews, and focus groups. These methodologies can be customized to meet a wide range of business goals and objectives and provide insight for branding, messaging, positioning, and trending initiatives.

However, it can be difficult to conduct traditional research methods in unfamiliar markets without a research partner that understands the nuances and potential pitfalls of international research.

Research partners should be experts at:

- Developing methodologies that will return reliable results regardless of the market
- Selecting knowledgeable, local moderators, translators, and recruiters
- Brokering communication with international vendors
- Coordinating research planning and execution
- Managing of even the simplest details – cultural holidays, appropriate DVD formats, and local idioms and terminology, etc.

Choosing Recruiters, Moderators, and Translators

When conducting international marketing research, it is important to partner with local moderators, translators, and recruiters who have an in-depth understanding of the specific market. This also applies in English-speaking markets as the nuances of conducting international research are not simply differences in language, but also cultural practices and local idioms. Recruiters, moderators, and translators should have a complete understanding of the local consumer and business mindset and provide some guidance in designing the parameters of the research. They will also provide insight into the most appropriate communication tools for reaching an unfamiliar audience and recommend best practice solutions for any methodology.

W5 works with proven, best-of-breed partners who have not only an intimate knowledge of the local market nuances, but a complete understanding of a wide range of both qualitative and quantitative research methodologies to ensure that a research plan is reliable no matter where it takes place:

Established Markets (Western European mainland, Japan, Korea, Singapore)

These markets generally have robust market research resources and an abundance of available and highly skilled recruiters, moderators, and translators.

BRIC (Brazil, Russia, India, China)

BRIC markets have large, rapidly growing populations. These markets represent tremendous opportunities for research and international market expansion, but research can suffer from

inadequate management of a large and burgeoning infrastructure. It is important in BRIC markets to be mindful of cultural differences and dialects within the country and partner with experienced recruiters, moderators, and translators.

Emerging Markets (Central/South America, Asia, Africa)

These markets often have less established market research infrastructures, making it increasingly important to find knowledgeable recruiters, moderators, and translators to broker the process of finding the right people and asking the right questions.

Skillful Coordination

Conducting international marketing research requires as much skill in coordination and communication as it does in developing a strong research methodology. Every engagement should be grounded in a sound approach and methodology, but it requires extra effort and frequent dialogue between all parties (client, W5, vendors, translators) to communicate the objectives, key questions, and insights in an unfamiliar research market.

Constant feedback from all parties ensures that:

- Client research goals are being met
- The research partner's methodology and plan for execution remain sound and return reliable results
- Vendors and translators are fully informed and able to assist the research partner in returning valuable insights on their market

Language

Language is the most obvious barrier to coordinating and conducting international market research. To keep the lines of communication open between international research partners and recruiters, the research consultancy, and the client, W5 chooses vendors that are fluent and able to communicate in a culturally relevant way in both the United States and the country where the research is taking place.

W5 insists on being discerning and selective, choosing only best-of-breed recruiters, moderators, and translators. These partners in research should understand not only the local language and idioms, but also have an intimate knowledge of the category.

There is no lingua franca for many of the categories that explore international markets and thus it is necessary that international research partners are able to communicate an understanding of the jargon, idioms, and phrases unique to each category.

Poor translators can severely limit the research's scope of understanding by failing to communicate the nuances inherent in any technical speech. So, W5 works extensively with translators

Questionnaire & Discussion Guide Translation

Questionnaire or discussion guide translation can often be a difficult process that requires an iterative approach. Frequent dialogue and review of translated materials ensures that W5 can monitor the work of overseas vendors.

1. Feedback from local, native researchers guides the development of the questionnaire and ensures that questioning is locally relevant and protected against potential pitfalls.
2. Communication regarding translation continues until all parties, the client, research partner, and translator, are sure that the questionnaire or discussion guide will meet all of the objectives of the research and do so in a way that makes sense in the local market.

and moderators before the engagement to ensure that they are properly briefed. Preparing them with the context of the research and all relevant terminology allows native, local moderators to have a natural dialogue with the target constituents.

Cultural Taboos

Markets are diverse not only in their economics, culture, and language, but also in what they deem inappropriate for impersonal or business-related conversations. It is important in conducting research abroad that the category in question and the specific lines of questioning do not cross the boundaries of the local cultural taboos.

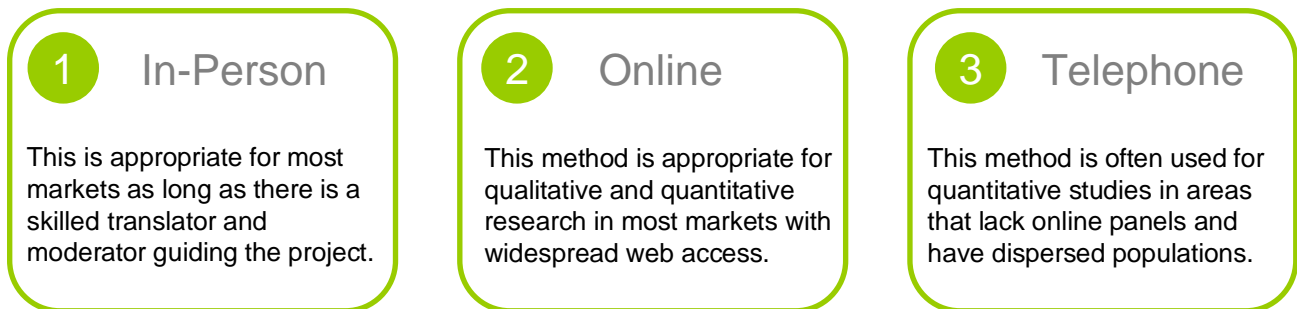
Local recruiters, moderators, and translators should be helpful in providing a sense of what topics are approachable and which are not. This should take place throughout the preparation of the engagement in ensuring the participants that conversations will be kept confidential and giving them a general sense of the nature of the topics to be explored.

International research should also be careful to mind the cultural nuances of the market while exploring the research responses. For example, different cultures respond to scales in different ways. Whereas, most researchers are accustomed to being able to obtain feedback using semantic or Likert scales, these are typically of little value in some cultures.

Two of the most common response types encountered during international quantitative engagements are extreme responding (using only the high and/or low ends of a scale) and acquiescence (unwavering agreement). Hispanic cultures, for example, tend to exhibit extreme response patterns, whereas Asian cultures lean towards acquiescence. Awareness of these specific cultural tendencies will help you understand research in its proper context and attain the most reliable and robust results.

Communication Channel

Selecting a means of interacting with consumers or businesses is a matter of assessing the marketplace and determining the most appropriate solution from among the following three options:



What Methodology?

A wide variety of methodologies are available and appropriate for international research, assuming the marketing research partner is skilled and adept at coordinating such a project. The key is choosing a methodology that is appropriate for both the goals and objectives of the project, as well as the target market. It can be helpful to begin international studies with research in the United States, permitting potential issues and pitfalls to be identified before venturing into unfamiliar markets.

Qualitative Research

Ethnography

The nature of ethnographic research is broad and exploratory. It is often a benefit to conducting ethnography in foreign markets. Conducting this type of research in international markets challenges stale business models and old heuristics for creating solutions. Cultural insights can be valuable in driving innovation and ideation within the company by simply challenging assumptions that are nascent within a familiar culture.

Focus Groups

Most established and emerging markets have a basic infrastructure for conducting focus groups with pre-recruited participants. With this type of research, it is essential to partner with best-of-breed facilities with teams of moderators, translators, and recruiters to ensure that the discussions are lively and relevant.

Each market has cultural differences that may determine the appropriateness of group size; some markets primarily conduct interviews with single participants and others are deemed larger, more traditional focus groups more appropriate.

Additionally there are scheduling and timing logistics that need to be managed in other markets. Japan for example will typically only allow one group to be conducted per day, but these groups usually have a high respondent show rate and will allow Friday and weekend groups. Germany and France have long working hours and will only allow a single late evening group whereas in the United Kingdom, multiple groups can be scheduled in a single day and participants prefer a casual, relaxed atmosphere rather than a formal roundtable.

In-Depth Interviews

One-on-one, in-depth interviews are often a more appropriate qualitative methodology when meeting and discussing with business-to-business audiences or when discussing sensitive topic areas. A more individual experience allows the participant to candidly discuss topics related to their employer or personal topics.

These sessions often include a research team representative, a local moderator, and the participant. The direct translation offered by the local moderator allows these sessions to be flexible and free-flowing with direct input from the researcher having a strong influence on the direction of conversation.

Trend Spotting

International research is not confined to sterile environments nor is it limited to pre-recruited participants. International markets can be ideal for exploring consumer trends. This methodology can be adapted to search for trends and innovation within a specific category as well as broadened to capture an understanding of consumer behavior as it relates to the intersection of lifestyles, brands, and products.

Again it is essential to partner with local resources and be unafraid of diving deep into another culture, market, and lifestyle. It is often a loose methodology that does not encourage process-oriented thinking, but it is still helpful to go into a trend spotting engagement with a plan:



Quantitative Research

Online Surveys

The growth of the Internet has provided a unique opportunity for market researchers to reach every niche around the world. However, it has also led to the realization that there is not a universal online solution that can be implemented in any region of the world that is guaranteed to return insightful research responses.

Online quantitative research lends itself to the possible of cultural bias influence the results. For example, Western nations are quite comfortable with providing a candid opinion of a product, concept, or copy, while Eastern cultures typically exhibit “courtesy bias,” an unwillingness to express a negative opinion. Therefore, a degree of diligence and sound knowledge of local response tendencies are required to ensure that data collected is still insightful and actionable.

W5 utilizes a number of statistical techniques to correct the bias created by cultural response patterns and can ensure that quantitative research conducted with online surveys returns reliable and consistent results.

Copy Testing

It is important to understand message relevance as it applies to a specific market, rather than crafting a world-wide strategy. Each market has a sophisticated and ingrained cultural sense of what corporate messages are appealing and which are not. It is important to craft individual iterations of a message campaign so they are specific and unique to each set of consumers. International copy testing research can be conducted as both an exploratory, qualitative exercise as well as a quantitative means of obtaining feedback on an already developed campaign.

However, each copy testing engagement requires a cognizance of broadband capacity in the region. Copy testing is generally media-heavy, including image, video, and audio components. While a region may have a high level of Internet participation, a lack of broadband penetration may result in a region being unsuitable for media-heavy copy testing. For example, China has the highest population of Internet users in the world; however, the penetration of broadband is quite low. W5 keeps these considerations in mind and develops a data collection methodology that fits with the market.

Brand Tracking

Understanding the awareness and perception of a brand in international markets is often a key component for assessing opportunities and challenges. Worldwide brand trackers can be utilized to understand current attitudes and brand perceptions in a single market or in multiple markets.

When the components are examined in aggregate - by country, overall geographical region and worldwide - it will be possible to not only track brand awareness but also identify trends and consistent themes within and across target markets and regions, determining specific areas of opportunity and challenges with regards to the brand and competing brands.

Segmentation

A segmentation study uses individuals' responses to questions concerning their core demographic makeup as well as attitudinal, behavioral, psychographic, category-related, and brand-related questions to allow businesses to identify and target distinct consumer groups within the marketplace.

This level of consumer understanding in specific international markets can help an organization understand the market composition, product and brand targets, message relevance, and product and brand opportunities.

Attaining Consistent Results

Regardless of the methodology, W5 prides itself on attaining consistent results in international markets that are equally reliable as well as insightful. W5 ensures this by:

- Coordinating with local moderators, translators, and recruiters
- Maintaining frequent and open communication with all involved parties
- Choosing the most appropriate methodology
- Choosing the most appropriate communication channel
- Creating a culturally relevant questionnaire and discussion guide
- Using locally acceptable language
- Asking globally acceptable questions
- Using easily communicable and transferable scales
- Parsing out cultural factors through analysis
- Guiding the difficult process from beginning to end

Want to Know More?

Visit our web site at www.W5insight.com or contact us at tdaly@W5insight.com or (919) 932-1117 for more information.

