Looking ‘Outside the Box’

Customer cases help researchers predict the unpredictable.

By Gerald Berstell and Denise Nitterhouse

Customer case research, an exploratory method, uncovers hidden purchase drivers that can give companies fresh insight into the reason people buy—or don’t buy—products and services. The authors describe seven of these drivers and the success stories behind them. This type of research can give marketers in any industry a new way of looking at current and potential markets.

The Coca-Cola Co. conducted 190,000 taste tests before launching the new Coke, but there were other issues more important than taste. Colgate ran tests on Fab 1-Shot—individual packets combining detergent and fabric softener—on families, but the product’s greatest appeal was to convenience-minded singles. As Michael Hammer and James Champy note in Reengineering the Corporation, “The changes that will put a company out of business are those that happen outside the light of its current expectations.”

Traditional surveys and focus groups specify discussion topics and screen participants by demographics. But, when researchers pursue the wrong topics or the wrong participants, they often get the wrong answers. How can you ensure that you find what you don’t even know you should look for? How can you get outside a box you don’t know you’re in? Think about conducting some customer case research (CCR).

CCR is a form of exploratory research that can discover critical purchase drivers that are outside the box of current thinking. It uses interviews and observation to trace the full stories of how real customers spend real money in a product category. Although it has a well-defined structure, CCR operates without preconceptions about buyers or purchase criteria. As customers relate their stories, CCR uncovers purchase drivers that might not be obvious, including hidden decision makers, unintended product uses, and unanticipated decision criteria. More structured, quantitative research methods then can be used to understand and measure these newly discovered purchase drivers.

UNSEEN PURCHASE DRIVERS

Over the last decade, researchers have explored hundreds of products and thousands of individual purchase decisions using CCR. Clients initiated most of these projects because prior market research had failed to solve pressing problems; research sponsors suspected that something important had been missed. Every project discovered at least one of seven common purchase drivers outside the box of previous research efforts:

- Unexpected openings.
- Embedded segments.
- Unanticipated decision criteria.
- Hidden decision makers.
- Unintended product uses.
• Unseen obstacles to acceptance.
• Unarticulated needs.

Unexpected Openings
Under certain circumstances, even the most loyal customers don’t do what they usually do. Attitudes alone do not determine behavior. Case research can discover situations in which prevailing attitudes are overridden. In sports, such windows of opportunity to gain an edge over the competition are called “openings,” and driving through an unexpected opening has won many games.

For example, a bank wanted to grow its consumer business. Its previous market research examined customer perceptions of its performance along 30 dimensions, including service, friendliness, and price competitiveness. But it never clearly showed the bank how to attract new accounts.

At 8:30 a.m. one Monday morning in September 1990, a case researcher positioned himself at the bank’s information desk. When people approached to open new accounts, he asked them, “What led you to open this account today?” Although he had interviewed only four new customers by 9:15 a.m., three of them said that they were moving their accounts from a nearby savings and loan that had just been closed due to insolvency.

By 9:30 a.m., the case researcher alerted bank management to this behavior. The bank management knew the S&L was closed and that a large bank had taken over its accounts. What they hadn’t realized was how many of the S&L’s depositors would be unaware that the facility was closed and would go there to do their banking as usual. If these depositors disliked either the location or the style of the large bank, they immediately sought an alternative—they were suddenly “in play”.

By 10:00 a.m., the bank had an action plan. They immediately deployed staff to the shuttered S&L to distribute account opening kits and hastily-copied maps showing the route to their bank. Thousands of accounts resulted within two weeks.

This opening may seem obvious now, but it wasn’t then. The S&L crisis created this opening for a limited period of time, but many such openings occur on an ongoing basis. A malpractice insurer’s research had always reached the same conclusion: Once a medical group eliminates financially unstable carriers from consideration, it always picks the cheapest carrier. This purchase pattern appeared to limit strategic choices for insurers.

When CCR was conducted on 20 physician groups that had recently changed malpractice insur-

ance carriers, the key insight that emerged was not about how malpractice insurance carriers are chosen when they are compared, but that comparisons are made only under infrequent but specific circumstances. The hiring of a new practice administrator was the predominant trigger for comparison shopping. Because malpractice insurance is a large expense item, it’s one of the first examined by new administrators eager to demonstrate their value to a practice. One carrier’s premiums may be lower than another’s, but it usually takes a new administrator to learn that and act on it.

The insurance company managed this opening by joining an association of medical administrators to closely track the movements of its members. This helped the insurer target long-standing competitor accounts when they became suddenly vulnerable. Monitoring the members’ movements also alerted the insurer to situations in which its own accounts might require defensive action.

Still other openings occur regularly and predictably. A local television newscast was trying to boost ratings in a stable market. Audience research continually showed that each newscast in that market had extremely loyal viewers, even though most found the shows to be pretty much equal. Preference appeared to be driven mainly by long-held viewing habits that often endured for decades and even across generations. The audience research provided no clue as to how to break such habits.

Case research quickly zeroed in on an opening provided by the “Monday night scramble”: Many football fans who normally watch CBS or NBC affiliates’ 11:00 p.m. newscasts stay with ABC on Monday nights until the game is over. Those who still want to see news after the game usually watch ABC because the other news shows are half over.

Meanwhile, when the ABC affiliate news fans who don’t like football tune in at 11:00 p.m., they find their favorite news show preempted by the game. Rather than wait until the game is over, most switch immediately to another channel. This creates opportunities and risks for all stations, as each acquires many of the others’ normally loyal viewers for the Monday night newscast.

Realizing that most of its Monday night newcomers are men, however, the ABC affiliate spotted an opportunity to air part one of a five-part series targeted to sports-minded men. It was able to retain many of these new viewers for the rest of the weeklong series and began to break longstanding viewing habits.

Once a company understands the dynamics of such openings, it can sometimes actively create them. For instance, the TV news research also found many people switching stations because they had seen the news truck and crew of a com-
peting station earlier in the day. They switched to that station at the end of the day because they were curious to see what the station had done with the story they had personally witnessed. One nurse mentioned that a station had recently shot footage for a health feature in the hospital where she worked. She and many other hospital staff switched to that station for an entire week until the feature aired.

Now that it knew about this opening, the station could actively create and manage it. Strategic deployment of its satellite trucks by day could help win the ratings war later that night. Increasing the boldness of the graphics on the trucks and jackets of roving news crews might do more for ratings than changing the graphics on the weather forecast.

Embedded Segments
Industrial markets are typically segmented by firmographics such as company size, location, industry, and functional department. Marketers assume that each customer has only one set of criteria for selecting each product it uses. In fact, a single company often has multiple ways of buying the same product. Case research can uncover these embedded segments.

For example, the corporate outplacement industry originated in the early 1980s to provide job counseling, resume preparation, and office support services to high-level executives terminated by large companies. During that decade, the industry expanded by extending its reach to all levels and types of employees. By the end of the decade, market saturation was forcing price cuts and an industry shakeout.

In that environment, one firm saw the large-scale layoffs occurring in the financial services industry and tried to bolster its position through industry-based segmentation—focusing on banks and S&Ls. When it became clear that this strategy was achieving little success, case research was conducted on 60 employee terminations in 15 banks. Each interview with the banks’ human resources directors started this way: “Tell me about the last four terminations you had and how you chose an outplacement vendor for each.” The stories revealed that human resources directors seek different capabilities for different types of employees and terminations:

- For senior executives, they seek counselors who are former executives with high-level contacts.
- For technical staff, they seek counselors strong in teaching interviewing techniques and social skills.
- For clerical staff, they seek counselors who teach ways to answer ads, rather than networking techniques.
- For “emotional cases,” they seek counselors with strong psychology backgrounds.

One human resources manager actually had 17 different sets of criteria, depending on the nature of the employee and the termination, for selecting outplacement firms. Importantly, what was considered a counseling strength for one segment within a bank was considered a weakness for another segment in that same bank. For instance, counselors who were “former executives with high-level contacts” commanded the respect of executives, but intimidated techies. Similarly, technical staff people needed counselors good at teaching basic social skills, but executives had little use for such skills.

Realizing that it could not meet such diametrically opposed needs, the outplacement firm mobilized its unique personality and strengths to successfully target itself to one niche within banks. The company found that this positioning enabled it to enter previously closed doors in many other industries as well.

Understanding and targeting poorly served embedded segments is a key strategy for getting one’s foot in the door. Small companies can often prosper by targeting such a segment as their entire market.

Unanticipated Decision Criteria
Forgetting or ignoring factors outside the box of current thinking has given rise to some of history’s worst marketing failures, such as the New Coke. Case research can identify the real issue. For example, one producer of liquid asphalt (the petroleum product that provides the adhesion in asphalt paving mixes) had done repeated annual surveys of paving contractors using its products. These surveys asked buyers to evaluate the importance of 32 preselected buying criteria, including product quality, speed of billing, and sales rep knowledge. They also had customers evaluate the company and its competitors on each of these criteria. Because the company had been running the same survey for many years, it was able to track its own and its competitors’ performance carefully on these variables over time. But the company was hard pressed to name any useful competitive insights achieved by this work.

A case researcher ignored the 32 traditional selection criteria and, instead, traveled to customer
sites to talk with them about their most recent purchases. Most contractors had large maps on their walls tracing the flows of materials from supply sources to mixing sites and finally to construction sites. They explained that liquid asphalt solidifies if its temperature falls below 300º; the longer the ride to a site, the greater the opportunity for the liquid to cool below that point. Also, during the intensely busy paving season in most parts of the United States and Canada, there’s a shortage of asphalt trucks. By shortening supply trips, contractors found they were able to increase the daily tonnage transported. Therefore, in more than 85% of the cases researched, the contractors picked the supplier closest to them—a criterion that was not among the 32 factors in the supplier’s annual survey!

It became clear that a new location strategy could provide far more advantage than product changes or more sales force training. By showing what’s important, case research also shows what’s not important. This information can help companies cut activities that add little value.

In another example, a company that sold self-study computer training materials to the corporate market was consistently rated No. 1 in quality by independent surveys. Furthermore, those surveys consistently showed quality to be the No. 1 consideration in the purchase decision. A sure formula for industry leadership? In fact, the company was only one-eighth the size of its major competitor and losing market share at an alarming rate.

Case research showed why: The company was delaying its product releases to achieve the quality leadership thought to be so important. But customers need training as soon as they acquire new software. The case researcher was taken through repeated “horror stories” about critical new software arriving at companies where nobody knew how to use it. The stories showed training managers desperately scrambling through catalogs, product announcements, and directories to find a source—sometimes any source—of training on the new software. The competitor was rushing to get its training programs to market as soon as the software appeared, even if quality suffered; as a result, its products were the only ones available when customers needed them.

Hidden Decision Makers
Marketing researchers usually seek input from decision makers. Unfortunately, in today’s flattened, right-sized, reengineered organizations, the position or person who made the decision yesterday may not be making it today. Case research can track down the real decision makers. If the researcher is originally directed to the wrong person at a customer site, the unfolding of the case reveals the correct one.

For example, a support service company was established 40 years ago to serve many common needs of 75 noncompeting organizations with complementary missions. Wholly owned by these organizations, the company was formed to provide them with superior service by combining their buying clout and tailoring services to the specific needs of this small niche. Twenty CEOs of the customer organizations made up the board of directors for the company. They met formally with the CEO of the service company four times a year and informally more often.

This company had a small, focused customer base and strong, top-level links with it. It’s difficult to imagine being closer to one’s customers. Yet, by the time the case research was undertaken, this company had less than a 15% share of its customers’ business. Its last three new products—each eagerly advocated by vocal customer CEOs—didn’t attract a single buyer.

Case research on the relationships began by asking 20 customer CEOs which vendor they were using for each service that the service company offered. Surprisingly, the CEOs usually answered, “I’m not sure. I haven’t been involved in making those decisions for years.” Sometimes, the CEO didn’t even know who was responsible for making the buying decision. The case researcher frequently had to spend hours in each organization tracking down the real decision makers for each service. When he found them, they often expressed anger and resentment toward the service company, claiming it ignored them. Most actually went out of their way to avoid doing business with the company that their organization owned!

Over the years, as these organizations grew, decision making for most purchases had moved to lower-level managers. The service company, however, was still trying to sell at the top. Slowly evolving change is often harder to recognize than overnight change.

In this service company, case research enabled management to retarget its sales efforts to the people actually making the purchase decisions. Once it located these decision makers, it was also able to work with them to develop new products that succeeded.

Another example shows just how convoluted a purchase decision can be. A company leased self-study training programs for technical professionals in large organizations. The dominant competitor used quantity discounts to get customers to sign large, multiyear agreements for a contracted

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number of courses. Its steep discount curve usually tempted customers to contract for more programs than they would have bought on an ad hoc basis. In fact, companies seldom used all the training for which they had contracted, but these contracts made it difficult for training managers to justify buying additional products from other vendors.

The salespeople for the training company not offering quantity discounts felt locked out when they constantly heard, “We like your products, but it’s impossible to justify buying them when we’ve already paid for similar products.” When case researchers arrived at the training managers’ offices, they found shelves full of self-study programs. Most belonged to the major competitor, but a few did not. The case researchers focused on getting the stories of how each of those few products got around the dominant competitor’s contracts and onto the customers’ shelves. One hundred case studies were obtained from 24 customers. In more than 80% of the cases, the training manager had bought the maverick courses because of a specific request from people in the technical department.

The case researcher probed with two questions: “Who are these people?” and “Why didn’t you tell them that you couldn’t order this course because you still had to use up the competitor’s contract?” The answer to these questions held the key. The requests invariably came from technical specialists whose work was mission critical and highly visible. In other words, they had clout.

All of this company’s sales and marketing activities (sales calls, mailings, and trade shows) had been targeted exclusively at training managers. So how was demand being created among the specialists? The case researchers simply walked down the hall and asked them. In virtually all cases, the specialists had learned about the company’s materials from the equipment manufacturer’s service engineers who worked with them on malfunctions, customizations, and problems. These engineers recommended the company’s courses because they were the only courses that provided sufficient technical detail to train the specialists to operate their equipment correctly. Imagine learning that 80% of your sales were driven by people you didn’t know existed! A way around the competitor’s once impregnable contracts was now clear.

Unintended Product Uses

Even the most “straightforward” products are often used in ways their creators didn’t think of. Sometimes these unintended uses define markets far larger than the original one. Case research helps marketers learn about opportunities to position products to take advantage of high-potential alternative uses.

For example, during the summer, several Chicago organizations offer “architectural boat cruises” on the Chicago River. These organizations traditionally compete on the number of sights described, the architectural credentials of their guides, and the distinctiveness of their boats. One competitor conducted a large-scale survey of passengers using multiple-choice questions; virtually all participants checked “interest in architecture” as a “very important” or “extremely important” reason for taking the cruise.

Case research on 50 Chicago passengers embarking on these boats, however, showed that architecture actually played a small role in getting them there. When asked why they were taking the boat ride that day, most Chicagoans pointed to the people standing next to them, saying something like, “My cousins are visiting from St. Louis, and I needed a way to entertain them.” It became clear that, on bright summer days, far more Chicagoans have a compelling need to entertain visiting guests than to learn about architecture. Powerful new positioning and advertising themes emerged.

In another example, surveys and focus groups conducted by many leading consumer product companies in the late 1980s proclaimed refrigerated entrees to be a major opportunity. Many used the results of such research to invest heavily in the category at that time, positioning their products as upscale gourmet dinners. All failed.

In seeking lessons from the failures, case researchers visited supermarkets where the products were still sold. They stood in the store aisles and observed store patrons examining or purchasing these products. A few customers were buying the product in large quantities. When the customers began to move on, the researchers introduced themselves and asked for the stories behind what they had just witnessed. Rather than using the entrees as upscale gourmet dinners, customers were preparing them in their office microwave ovens for lunch.

These customers described the difficulties of getting good food within short lunch periods: time, inconvenience, and cost of good restaurants; inadequate menus and nutrition at fast-food outlets; lack of freshness in vending machine food; messy, time-consuming preparation of brown-bag lunches; and lack of freezer space at their offices. For these customers, refrigerated entrees overcame these problems. While the research showed that there was lit-
tle compelling need for microwavable gourmet meals at home, it did uncover a major problem shared by millions of office workers. Two opportunities immediately became apparent: Reposition refrigerated entrees as office lunches, and develop other, possibly nonrefrigerated products specifically targeted to the office crowd.

Different cultures often are fertile ground for alternative product uses. Some of the fastest growing international markets have cultures that are very different from those in the West. Case research might show that these cultures use Western products in ways different from ours. Such findings can help better target products to the needs of foreign markets.

For example, a pedestrian underpass leads from one of Moscow’s main avenues to Red Square. There, local entrepreneurs hawk Russian crafts to souvenir-hungry Western tourists. As a test market, a local maker of hand puppets set up a table in this underpass to capitalize on the tourist traffic. Few puppets, however, were sold to Westerners; most were snatched up by Muscovites—usually in the early evening hours. Stranger yet, individual buyers were picking up several copies of the same puppet. When case researchers probed this behavior by asking, “What led you to buy this puppet this evening?” The customers gave a uniquely Russian answer: “I just got paid. I don’t need to spend all of my money now, but with inflation at 20% per month, I can’t afford to keep the rubles either. These puppets look pretty durable; I’m buying them as an inflation hedge. When I need rubles later on, I can sell them for more rubles than I paid.”

Sure enough, a few days later, some of these customers were seen reselling the puppets. The key to growing this business wasn’t in making the puppets look more playful; it was in making them look more durable. And most buyers were not tourists, but Russians.

Unintended product uses sometimes involve only parts of the original product. In *Innovation and Entrepreneurship*, Peter Drucker tells how European-designed bicycles with auxiliary light engines were introduced to India. Overall, few ordered the bicycles, but many orders came from one agricultural area. The owner of the company went to that area to investigate and found farmers removing the engines from the bicycles and using them to power irrigation pumps. He eventually became the world’s largest maker of irrigation pumps.

**Unforeseen Obstacles**

When a new concept receives kudos in surveys and focus groups, but initial sales disappoint, should the product be abandoned? Not before looking for obstacles to acceptance that can be easily removed. Even when overall new product sales are low, some people are buying, CCR can uncover whether there are obstacles that prevent other potential customers from purchasing, how those who did purchase overcame the obstacles, and what marketers can do to make it easier to buy.

For instance, in the mid 1980s, a $30-million company was the first to market interactive video for corporate training. A basic installation included a one-time $3,000 expenditure for hardware, plus $40,000 to lease the educational training programs for a year. The company thought it was the best thing since sliced bread, but sold only six installations in the first nine months. Universal feedback from hundreds of prospects was: “It’s too expensive.”

A case researcher visited the six customers who bought the systems and traced the long stories surrounding these purchases. All stories revealed the same snare: The training managers had complete authority to spend the $40,000 on program leases, but had to go through lengthy justification procedures to spend $3,000 on hardware. The researcher was shown piles of forms, folders, procedure manuals, and organization charts related to capital purchases. The training managers were unaccustomed to this process, and uncomfortable dealing with their companies’ finance executives.

The research inspired the producer to help its customers eliminate the dreaded trips to the finance department. The company raised the lease cost to $45,000 and included the hardware for “free.” This simple change in pricing structure eliminated the “it’s too expensive” objections while simultaneously raising prices! Within three months, the number of installations multiplied 12-fold. Three years later, this $30-million company had a $60-million new product.

**Unarticulated Needs**

Because CCR doesn’t start with preconceptions that limit the scope of customer conversations, these conversations frequently veer towards needs completely unanticipated by management, for which new product and service ideas result.

For example, a nonprofit Chicago book and souvenir shop seeking growth opportunities commissioned one day of case research. Conducting CCR on 50 shop visitors revealed that many were former Chicagans revisiting their old home town. These people had a clear but not formally articulated need to stay in touch with Chicago that they could now satisfy only when visiting the city.

Why not meet it when they weren’t there as well?

This gave birth to the idea for a new “Chicago
Alumni Catalog,” featuring Chicago news and selling books, memorabilia, clothing, and sports items related to the city. The store captures names for the catalog from its mailing list registration form that contains the question, “Are you a former Chicago-area resident?” and direct mail firms provide names of others departing the area.

Unarticulated needs, in fact, emerge from many CCR projects. The refrigerated entree research, for example, uncovered not only a high-potential alternative use for the existing product, but also an unarticulated need for new foods that can be prepared in offices. The Moscow puppet research revealed not only the best way to package and sell puppets, but also opportunities to sell a broad range of small, durable consumer items to Russians.

THE RESEARCH PROCESS

Research using the scientific method gathers appropriate data to identify a problem, formulate a hypothesis, and empirically test the hypothesis. Exploratory research methods such as CCR are designed to identify and clarify the problem and formulate initial or new hypotheses. More formal, structured, quantitative methods can then be used as needed to refine and test hypotheses that result from the exploratory research.

New hypotheses are seldom discovered by research methods commonly used to test known hypotheses. For instance, when architectural cruise passengers are surveyed about their interest in architecture, they can easily respond without pointing out that interest in architecture didn’t prompt their trips. When full-time homemakers are invited to a focus group discussing gourmet dinners, the discussion is unlikely to turn to problems office workers have in finding lunch. Although hypothesis tests can effectively examine what’s inside the box, they seldom detect what’s outside. Conversely, the torrent of new ideas released by exploratory methods may require formal testing.

CCR builds insight into purchase behavior by reconstructing the chains of people, influences, and events leading up to specific purchases. It builds the full stories of how 50 Cleveland drugstore shoppers selected shaving cream last Tuesday, or how 25 Houston companies replaced their telephone systems last month. Erroneous preconceptions are quickly brought to light as cases unfold. CCR can discover unseen purchase drivers because it assumes only that purchases were made and that there are stories behind them.

Case researchers use a process similar to that of investigative reporters and detectives. They begin by asking known purchasers about a specific purchase decision—for example, “Tell me the story behind the three computers I see on this desk”—and then build a picture of that customer’s entire purchase process from a combination of in-depth interviews, observation, and review of customer documents. They explore the dynamics of actual buying decisions made in the context of actual supply constraints, timing pressures, and even career tensions. As they piece together the chain of events leading to current purchases, researchers find links to possible future opportunities, such as:

• Were this customer’s preferences established on the basis of previously unknown needs? If so, could these needs lead to new products or features, or ways of repositioning current products to earn premium prices?

• Could we strengthen any weak links in the chain of events leading to this customer’s purchase? For instance, did this customer encounter any obstacles to purchase that we didn’t suspect but could remove?

• Does the customer-purchase chain uncovered in this case study define a new market segment? Do we have any competitive advantages for meeting its needs?

Case researchers collect many kinds of evidence and use probes, observation, and analysis to validate and challenge customer remarks. They recognize that customers’ words may contradict their actions, and that customers may not be consciously aware of their own buying motivations. For instance, when one customer said, “To me quality is paramount,” the case researcher pointed to the shelves and asked, “Are any of these products less than top quality?” The customer responded, “Yes, but I had to get these because...” Case researchers keep asking questions until they discover purchase drivers and opportunities.

Target Participants

Premature assumptions about demographic targets can permanently derail a product. For instance, by researching only women, a national jewelry retailer failed to learn that some of its best opportunities were with men who buy jewelry for women. CCR avoids this pitfall by selecting participants on the basis of their buying history, not their demographics. Those with the most to say include:

• Switchers. Customers who frequently change
vendors, even without price incentives, might have needs that haven’t yet been fully satisfied. They’re often more likely to point the way to tomorrow’s products than are customers content with current offerings.

- **Polygamists.** Customers who use multiple vendors for the same product might have several different ways of buying the same product. These “embedded segments” can reveal strategies for opening doors to the most entrenched accounts.

- **Newbies.** New customers, or those who have recently increased purchases significantly, might indicate new segments or customers whose needs have recently changed.

- **Quitters.** Lost customers can quickly reveal changes in market or competitive structures, or help a company zero in on small problems before they get out of hand.

- **Persisters.** Customers who go out of their way to do business with you can often articulate your competitive strengths better than those who buy from you merely because it’s convenient. For example, retail stores sometimes attract regular customers from far outside their normal trading range.

In business-to-business CCR, salespeople and customer files can directly identify customers who exhibit these characteristics. But, in consumer CCR, researchers usually have to search out respondents wherever the product is purchased or used.

**Sample Size**

Like other exploratory methods, case research pursues depth at the expense of sample breadth. CCR puts the spotlight on the few customers most likely to provide new insights. Five in-depth investigations of customers who frequently change vendors can yield far more nuggets than 500 interviews with a random sample.

Case researchers interview people until the new stories run out. Consumer product case research seldom reveals any fundamentally new buying paradigms after investigating 100 cases. Business-to-business research generally involves case studies of 25 customers making approximately 100 purchases for different sites, applications, and departments.

Companies often implement CCR action ideas even before the research is complete, especially when they involve little cost or risk. In the banking research, three customers were enough to identify the opportunity created by the shuttered S&L. The cost of acting immediately on this research was minimal—just a few dollars for distributing kits in front of the building. Waiting to test this early insight fully might have delayed action until the window of opportunity was closed.

Other actions, however, might require sizable investments that would pay off only if large numbers of customers exhibit a particular behavior. If so, other research techniques are needed to quantify the opportunity. One should not invest millions in a major consumer initiative based on CCR alone.

**Location**

Case research is usually conducted on the customers’ turf—at the point of sale or use. This achieves greater immediacy of response as well as access to supporting observations, documentation, and other people who are part of the buying process. Observations and documentation also are used to stimulate questions and validate responses.

Much consumer product case research is conducted at retail stores. Shoppers examining or placing items in their carts are likely to be qualified users; a brief introduction usually establishes whether they are and gets the story-telling process started. Asking supermarket shoppers the prices of products just placed in their carts—and of those left on the shelves—gives unsurpassed insight into true price perceptions and sensitivity. Shopping lists can be compared to shopping cart contents to assess brand loyalties. “Why are you buying the Skippy, when your shopping list says ‘Jif’?” “Do you know the price of the Skippy you’ve just picked up and how it compares with the Jif?” “Why are you buying brand-name peanut butter, but generic jelly?”

Case research also is conducted at the point of use. For instance, lawn care case research has been conducted through springtime expeditions into suburban neighborhoods. These excursions frequently led researchers into basements and garages to see stockpiles of failed products, as well as unexpected ways of combining and applying products.

Industrial case research is usually conducted at customer sites. There, vendor files and business cards can help the buyer recall discussions and events. Walking around factories and offices brings users into the process and stimulates more questions. As other people involved in the buying
process crop up in conversations, they can be brought into the investigation.

Timing
CCR can uncover insights critical to success at all points in a product’s life cycle. It can identify new product concepts, launch a new product, accelerate the growth of an established product, and revitalize a stagnant or declining product.

One critical time for pursuing CCR is when a new product is introduced. New products are notorious for finding new markets and applications that established competitors can’t see until it’s too late. By definition, case research conducted on the first buyers of a new product spotlights leading-edge customers who will shape the product’s future. Another important time to conduct CCR is when an existing product is introduced to a new market, for example, selling office equipment to the home office market.

Case research on a new product can be as useful for competitors as it is for the company marketing the new product. New product case research has in fact been used by late entrants to leapfrog original ones. A research program that uses a standardized questionnaire to track behavior and attitudes over time can be supplemented by case research to identify new issues and attitudes that should be added to the tracking program.

Communicating Results
You can’t create a customer-driven organization if only the marketing research department understands the customer. Customer case studies are who-what-where-when-why stories designed to get everyone in the company—including R&D, operations, customer service, MIS, and human resources—into the shoes of the customer. People relate to vivid individual stories far more easily than to abstract aggregations. Customer case researchers present their case studies in narrative language that everyone can understand, especially a cross-functional team drawn from all areas of an organization. The case researcher leads the team discussions in much the same way a business school case instructor conducts a classroom case discussion. As critical influence points are identified in a customer’s purchase process, the discussion turns to how different parts of the organization can exploit and manage them.

Results from the first few cases explored during a project are shared with the team long before the entire project is complete. Case research frequently uncovers customer behaviors that challenge the conventional wisdom; informal preliminary reviews allow skeptics to express doubts that can guide the researcher to pursue the facts necessary to confirm or dispel them. Continual, informal sharing of findings gets users involved in the process, replacing defensiveness with acceptance and enthusiasm. Thus, these cross-functional case discussions merge the research process with team building, strategy generation, and implementation processes.

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ADDITIONAL READING


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