

From *The Innovator's Toolkit: 50+ Techniques for Predictable and Sustainable Organic Growth* (Wiley, 2008)

Technique 4: Ethnography

Summary

Ethnography is a science that describes human social phenomena based on fieldwork, or observation. Applied to the goal of innovation in business, Ethnography is the practice of observing how customers try to get their “jobs done” by using your offerings, your competitors’ offerings, or neither.

For example, before inventing Quicken software, Intuit observed people struggling to do the job of organizing and managing their personal finances. Even though professional-caliber accounting software was available at the time, many individuals were using computer spreadsheets or pencil and paper to accomplish this job. None of these approaches met the expectations of home users as well as Quicken does today.

By applying Ethnography early in the innovation process, you may discover jobs and/or outcomes that customers have not articulated, especially in cases where existing solutions fail or fall short. For the best results, however, you will need to hire a trained ethnographer due to the discipline associated with collecting qualitative data in the field, and accurately analyzing the findings.

[Sidebar] Have you ever tried to complete a chore (like fixing a sink) that requires a flashlight? If you need both hands to complete the job, you end up holding the flashlight in your mouth or putting it down. Observing people in this predicament led Black & Decker to invent the snake light – a light that can hold itself!

Steps

1. **Plan the study.** Planning your ethnographic study involves making a few important decisions, such as:
 - When will you observe people? When they’re purchasing your product or service, or when they’re actually using it? If you’re looking to uncover hidden jobs or customer expectations, then study people when they’re using it. Observations at the time of purchase can be beneficial for discovering what appeals to people about the product/service price, reputation, packaging and so on.
 - How will you observe people? Observation can be covert, such as watching someone go through the process of buying a cup of coffee, or picking out a pair of shoes. Or it can be overt – standing in someone’s kitchen watching them cook, or going with them to buy a car.
 - Who will you observe? If possible, include both traditional and non-traditional consumers of the product or service. You can learn a lot by watching someone try to use something for the first time, or by interviewing someone who uses a different product to get the same job done.

- Where will you observe people? In their homes, places of business or a public place? Remember, the point of ethnography is to observe people in their native environment, not in a lab or conference room as part of a focus group.
- For how long will the ethnographic study take place, and how many people will you observe? Will an ethnographic blitz, a one-week period of observation and interviews, suffice? Remember, you're trying to understand customer needs better, not gather statistical data, so the *quality* of participants, not the quantity is what matters most.

[Sidebar] Ethnography uncovers not only conscious, but also subconscious emotional and biological needs. As such, it cannot be replaced by focus groups where participants provide primarily cognitive opinions.

2. **Identify participants.** Identify specific participants and obtain their permission to be part of the study. Be sure to clearly convey to them the purpose of your study, what type of information you will be documenting and how the results will be used. Even if you are observing people covertly, such as in a store or restaurant, you'll still need to approach the owner for permission.

[Sidebar] Ethnographers for Citigroup spent time watching how subway patrons paid for their rides. Based on the preferences they observed, Citigroup designed a key chain tag that could be easily swiped by riders as they pass through the turn-style, thus avoiding the need to fumble for tokens or take out their wallets in a crowded station.

3. **Observe participants.** When you begin the ethnographic study, your primary task is to observe and take notes on how people interact with your product or service and what they think about it. As you do this, ask yourself these basic questions:
 - Why is the person using this product/service? What's the Job To Be Done? What are their expectations? When Kaiser Permanente set out to design a new hospital, an ethnographic study revealed that people who go to a hospital had many needs. In addition to the obvious (getting medical attention, visiting a patient), people sometimes required food, child care or spiritual counseling.
 - Are they using the product/service as designed, or in a way that is unexpected? For example, would companies who send unsolicited CDs through the mail be surprised to see that many people use them for drink coasters?
 - How does the person appear to feel about the product/service? Are they pleased, surprised, frustrated, confused, indifferent? What would they tell their friends and family?
 - If you're observing a process or service, do people (both customers and employees) flow easily through the process? Are customers confused about where to go? Do they have to wait in long lines? Are employees tripping over each other trying to serve customers?
 - Do cultural needs, barriers or misunderstandings affect the use of the product/service? For example, Chinese appliance manufacturer Haier found through observation that some customers used their clothes washing machine to clean vegetables. This insight enabled them to create an appliance that excels at both jobs (cleaning clothes and washing vegetables).

[Sidebar] During the study, it is imperative that you separate observation from interpretation. Like a courtroom juror, you should only be concerned with the facts while

observing. There will be time later for analyzing the data you gathered and drawing conclusions.

[Sidebar] Here's a list of recommended items to include in your field notes:

- Date, time, and place of observation
- Specific facts, numbers, details of what happens at the site
- Sensory impressions: sights, sounds, textures, smells, tastes
- Personal responses to the fact of recording field notes
- Specific words, phrases, summaries of conversations, and insider language
- Questions about people or behaviors at the site for future investigation
- Page numbers to help keep observations in order

Source: "Field Working: Reading and Writing Research," by E. Chiseri-Strater and B. Stone Sunstein, Blair Press (1997),
<http://wearehere.wordpress.com/home/ethnographic-reasearch>

4. **Interview participants.** Depending on your desired level of interaction with the participants, you may choose to interview them after observation. Although the key to ethnographic discovery is impartial observation, interviewing can provide additional insight if you keep these basics in mind:

- Ask open ended questions that cannot be easily answered with *yes* or *no*. Also, don't try to limit participant responses to pre-ordained categories by asking questions like "How would you rate this product on a scale of 1-10?"
- Remain sensitive to the participant's beliefs, opinions and concerns. If a question makes someone uncomfortable, don't force an answer.
- Ask permission to record or video tape the interview, which will allow you to review and categorize participant responses more easily.
- If you're not an experienced interviewer, practice on an associate, co-worker or friend – ideally, someone whom you don't know very well so you get a feel for what it's like to interview a stranger.

[Sidebar] For more interview tips, see "A Synthesis of Ethnographic Research," by M. Genzuk, Ph.D., University of Southern California Center for Multilingual, Multicultural Research, http://www-rcf.usc.edu/~genzuk/Ethnographic_Research.pdf.

[Insert Figure 4-1]

[Caption] This plethora of notes and images was gathered by Flow Interactive Ltd. for a client during an ethnographic study.

5. **Collect artifacts.** Just as an anthropologist makes assumptions and draws conclusions about a culture via tangible artifacts, a company can draw conclusions about its products and services via the collection of behavioral artifacts. Obtain permission to take with you any items that coincide with your observations or provide additional information, including:

- Pictures or video of people using the product or service.

- Competitor or homemade items that accomplish the same job, or a tangential one, as your product or service.
- Participant-generated documentation such as homegrown manuals, cheat sheets, FAQs, etc.
- Maps or diagrams of the process, along with notes about the flow of people or objects through the process.

[Sidebar] Ethnographic observation often reveals ingenious solutions designed by customers in lieu of commercial solutions. In *Democratizing Innovation* (MIT Press, 2006), MIT professor Eric Von Hippel encourages businesses to learn from such user-centered innovations in their industry.

6. **Analyze data.** Sort the data you gathered from the ethnographic study, including observations, interviews and artifacts. Watch for patterns or trends that can be used to form one or more hypotheses. If you had a theory in mind before beginning the ethnographic study, review the data to see if it can be supported.
7. **Verify hypothesis.** Once you have a hypothesis, follow up with the participants in a focus group or by survey to validate your theory. Alternatively, you could repeat the ethnographic study with a different group of people – just be sure to keep an open mind in case the new data doesn't support your theory.
8. **Document findings.** Finally, it's helpful to prepare a written report that documents your conclusions and as much of the data as possible. This information may help others in the organization to better understand your customers, now or in the future.

Resources

- If you want a primer for using Ethnography to better understand customers, read *Ethnography for Marketers: A Guide to Consumer Immersion*, by H. Mariampolski, Sage Publications (2006).
- For in-depth, but reader-friendly approach to doing qualitative research, look to the 7-volume *Ethnographer's Toolkit*, by M. LeCompte and J. Schensul, Alta Mira Press (1999).