



# Focus Groups

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# What is a focus group?

- ▶ A formal process of bringing a small group of people together for an interactive, spontaneous discussion
- ▶ Responses to open-ended questions collected from a small group of participants who interactively and spontaneously discuss topics of interest with the researcher



# Focus Groups



- ▶ 6 - 12 participants in a group
- ▶ 1.5 - 2 hour long sessions
- ▶ Conversation may be video and/or audio taped, or notes may be taken
- ▶ Relaxed environment
- ▶ Qualified moderator to lead and invoke discussion
- ▶ Participants should receive an incentive with monetary value
  - ▶ *Ex. Money, gift cards, food, merchandise, etc.*

# Objectives of a focus group

- ▶ Identify data for **defining and redefining** market problems
- ▶ Generate **new ideas** for products
- ▶ Reveal consumers' **hidden attitudes**
- ▶ Discover **new constructs** and measurement methods
- ▶ Explain changing **consumer preferences**



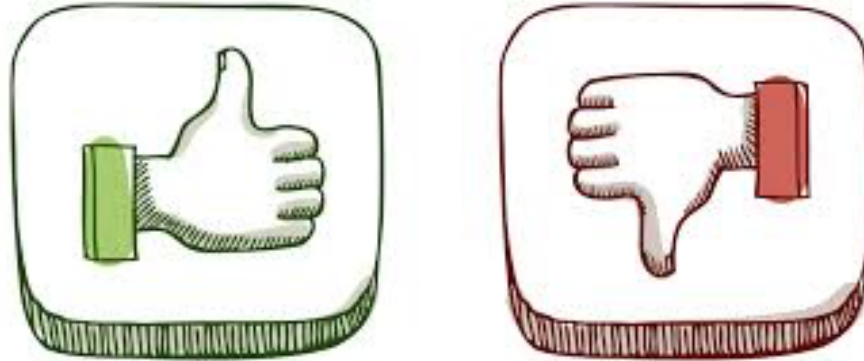
# Advantages & Disadvantages

## ► Advantages

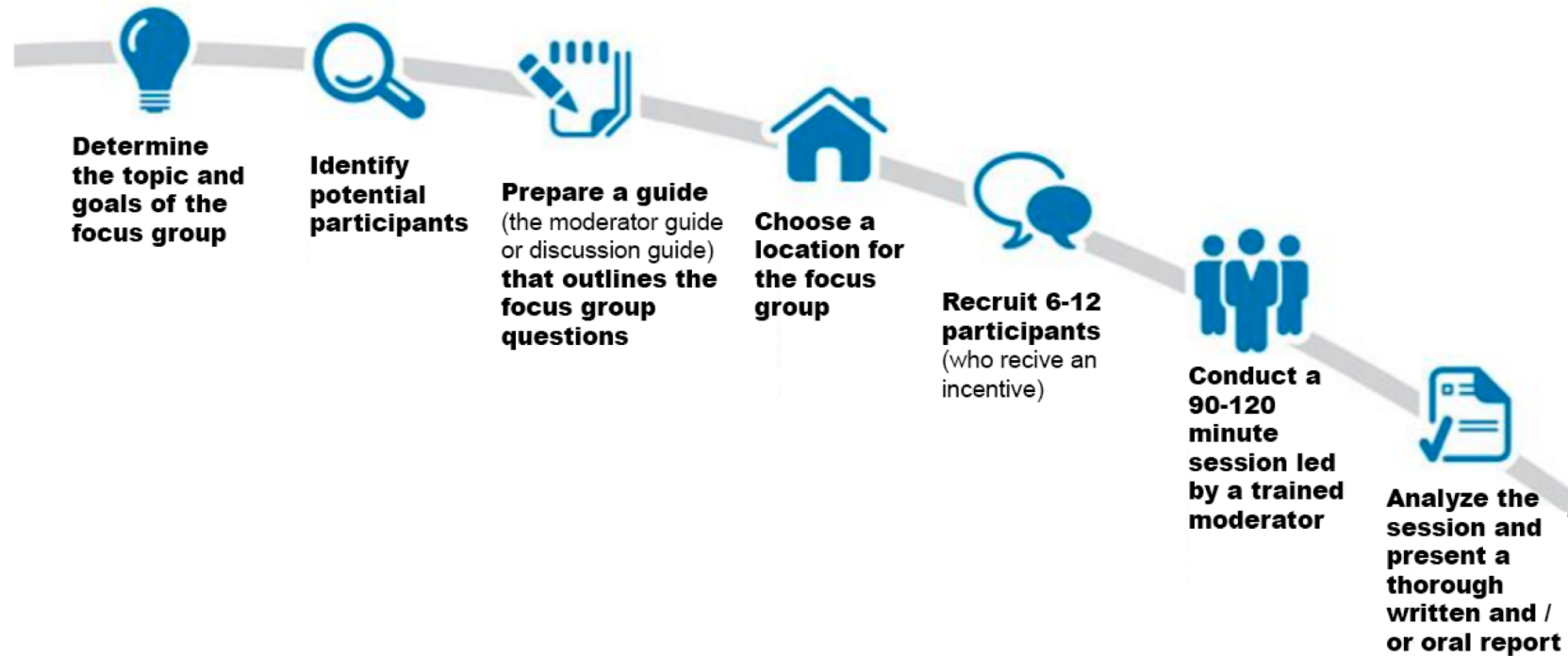
- Stimulate new ideas, thoughts, and feelings about a topic
- Foster understanding of consumer behavior
- Elicit wide range of responses
- Quick and flexible

## ► Disadvantages

- Small sample
- Groupthink



# How a focus group works?



# When the group meets



- ▶ Thank people for coming
- ▶ Review the purpose of the group and the goals of the meeting
- ▶ Go over the flow of the meeting: how it will proceed and how the members can contribute
  - ▶ Lay out the ground rules
  - ▶ Encourage open participation
- ▶ Set the tone
  - ▶ This is important because odds are few members will have participated in a focus group before
- ▶ Ask an opening question
  - ▶ This can be general or more specific
  - ▶ Cover both types before the group ends
- ▶ Make sure all opinions on that question get a chance to be heard

# Avoid these types of questions

- ▶ Double barrel questions: Touch on more than one issue but only allows for one answer
  - ▶ *Ex. Would you vote for or against a candidate who supports reducing federal spending on education and welfare?*
- ▶ Leading questions: Referencing the way you want someone to answer the question
  - ▶ *Ex. What problems do you have with your boss or manager?*
- ▶ One-Sided questions: Presents only one aspect of an issue being considered
  - ▶ *Ex. How often a day do you smoke cigarettes?*
- ▶ Loaded Questions: Contains an assumption within the questions
  - ▶ *Ex. Do you think the liberal mainstream media is too harsh on Donald Trump?*
- ▶ Absolute Questions: Yes or no answers. Typically include wording such as “always,” “all,” “every,” “ever,” etc.
  - ▶ *Ex. Do you always shower before bed?*

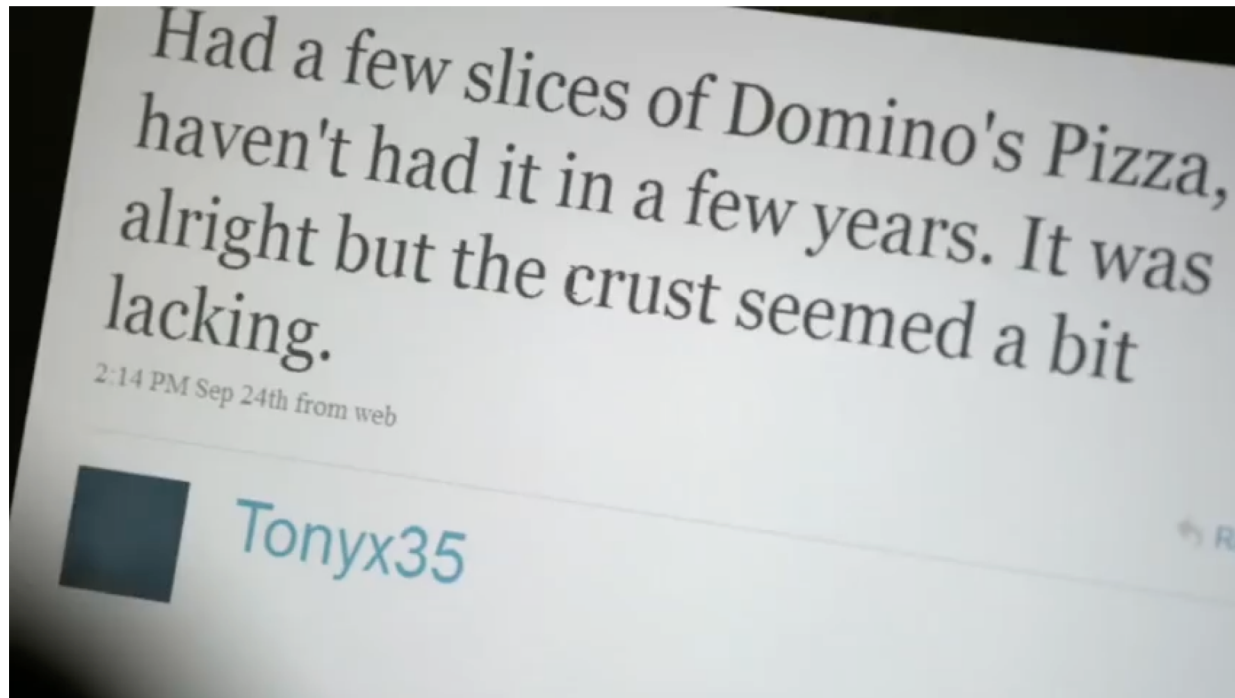


# After the meeting

- ▶ Look at the data
  - ▶ What patterns emerge?
  - ▶ What are the common themes?
  - ▶ What new questions arise?
  - ▶ What conclusions seem true?
- ▶ Share results with the group
  - ▶ This can be done by mail, phone, or email
- ▶ Use the results
  - ▶ Determine what insights can be made from the group and apply them

# Case study example: Dominos

- ▶ Dominos conducted focus groups to determine why sales were not at a satisfactory level and declining
- ▶ They determined that Dominos consumers were unsatisfied with the taste and ingredients used in the pizza recipe
- ▶ Recreated entire recipe for crust, sauce, cheese for a better tasting pizza



# Results

- ▶ Between 2000 and 2013, America's customer satisfaction index score for Domino's Pizza increased from 69% to 81%
- ▶ By the end of the first quarter of 2010, the company posted a 14.3% increase in revenue
- ▶ Since these changes were implemented, the company's stock has risen 400%
- ▶ The company became the fourth largest e-tailer in the U.S.

## International Store Growth Since YE 2008



	<b>Domino's Pizza</b>	<b>43%</b>
	<b>Starbucks</b>	<b>35%</b>
	<b>Dunkin' Brands</b>	<b>33%</b>
	<b>Yum! Brands</b>	<b>23%</b>
	<b>McDonald's</b>	<b>13%</b>

# Work Cited

- ▶ <https://ctb.ku.edu/en/table-of-contents/assessment/assessing-community-needs-and-resources/conduct-focus-groups/main>
- ▶ <https://www.fool.com/investing/general/2013/11/20/why-dominos-spent-millions-to-fix-its-pizza.aspx>