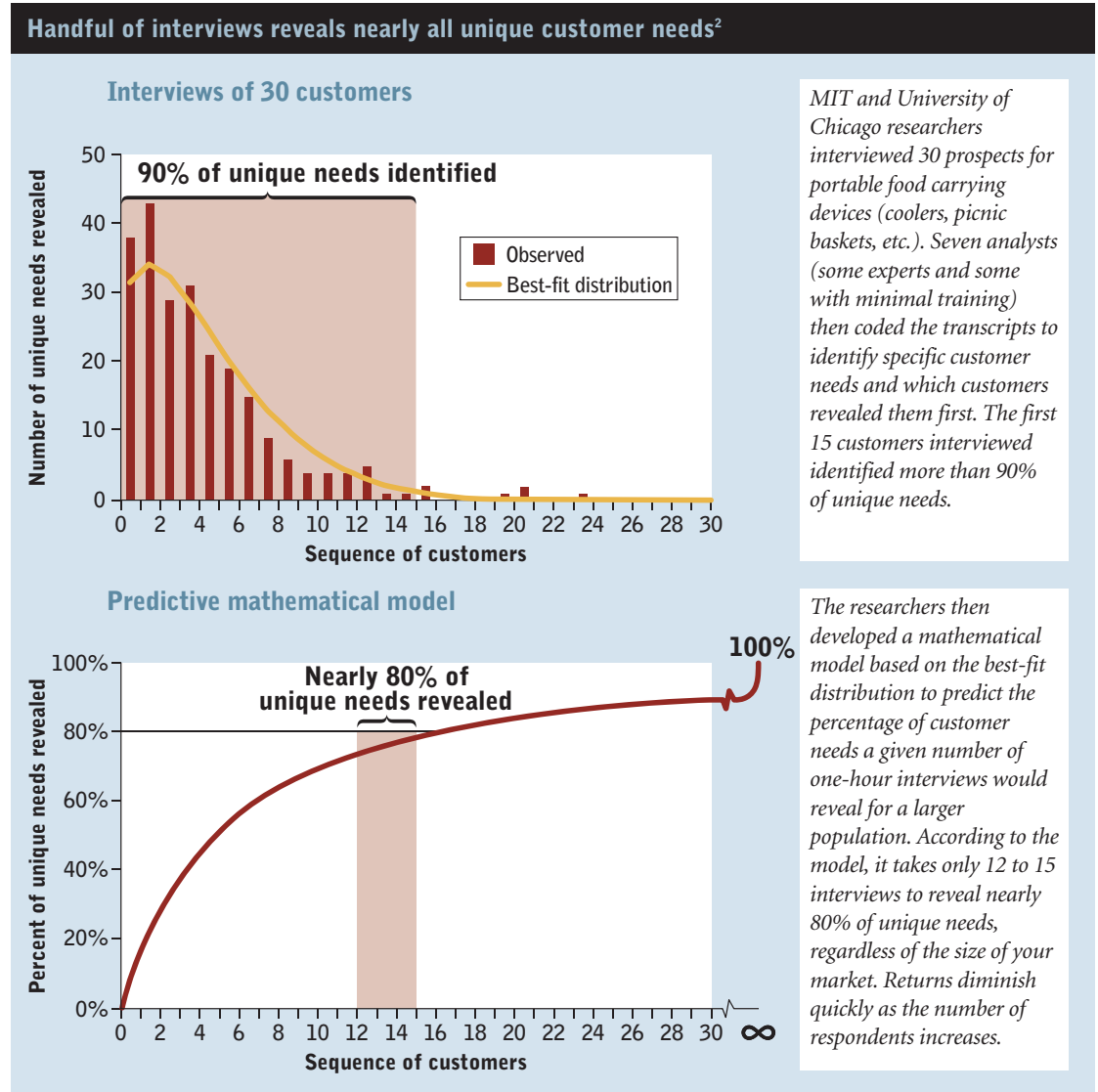


In-depth interviews can deliver valid market research

Research from MIT and the University of Chicago suggests you can glean useful, reliable market research by conducting in-depth interviews with only a few customers.

Strength in small numbers

How many subjects should you interview for a reliable snapshot of your market? Although there's no hard-and-fast rule, managers and researchers have determined that as few as 12 to 15 randomly-selected interview subjects can represent an entire segment accurately.¹



Executive Summary

- Researchers from MIT and the University of Chicago concluded that in-depth (± 1 hour), individual interviews can provide reliable market research.
- Although there's no hard-and-fast rule, as few as 12 to 15 customer interviews can represent an entire market segment accurately.¹
- In-depth, individual interviews work well for identifying customer needs, understanding your product's value and predicting marketplace behavior.^{1,3}
- Individual interviews may be more cost-effective than a comparable series of focus groups.²

The pros and cons of interviews

Numerous market research experts from the business world and academia have studied the benefits and limitations of interviews. Here are a few of their observations:

Advantages	Disadvantages
Helps you generate ideas and address problems you hadn't considered before ¹ "Would a spill-proof container be an appealing feature?"	Limited ability to project trends ⁴ "What will customers want 5 years from now?"
Reveals customer wants and needs effectively ² "Do customers really care about data security?"	Not ideal for testing design appeal and/or ease of use ¹ "Do customers understand how to use this product?"
Provides opportunity for interaction and nuanced responses ¹ A smaller sample allows more time with each participant and more flexibility to ask insightful follow-up questions that hadn't been considered in advance.	Requires more time per participant than other methods ² A typical individual interview should last about an hour compared to a two-hour focus group with six to eight participants.
Helps predict behavior ¹ "Will customers find enough value in this product to buy it?"	No statistically valid data ⁵ "How many customers prefer Brand A to Brand X?"
Defines and approximates product value ³ "Why would customers buy this product, and how much would they pay?"	Unable to determine an ideal price point ³ "Exactly how much should I charge?"
Enables precise sample control ⁶ Lets you select specific participants—some who love your product, some who won't buy it, and some who have never heard of it.	Introduces interviewer bias ⁶ External factors such as the interviewer's personal appearance can bias participants.
Prevents subjects from influencing each other's responses ⁴ Participants can't intimidate or influence one another.	Eliminates group synergies ² Subjects can't learn from one another or arrive at a consensus.
May be more cost-effective overall than focus groups ² Fewer total participants are required to reveal the same number of customer needs.	High cost per interview (requires a highly-skilled interviewer) ² Interviewer must be constantly ready to explore new lines of thinking instead of just reading from a prepared list of questions.
Short data collection period ⁷ Get data in days or weeks, not months.	Complex transcription and analysis ² You might need to train several analysts.

Although interviews are not ideal for every research need, consider trying a few before moving to your next expansive (and expensive) study.

¹ Zaltman, G. *How Customers Think: Essential Insights into the Mind of the Market*. Boston, MA: Harvard Business School Press, 2003.

² Hauser, J. and Griffin, A. The voice of the customer. *Marketing Science* Vol. 12 No. 1, Winter 1993.

³ McDonald, S. How to design and implement successful pricing research: counsel & caveats from the trenches. Professional Pricing Society Sixth Annual Pricing Conference, 1995.

⁴ U.S. Small Business Administration. Market research—types, methods & techniques. *Online Women's Business Center*. Available: www.onlinewbc.gov/docs/market/mk_research_types.html. Accessed October 14, 2004.

⁵ Research Concepts, LLC. In-depth interviews. Available: www.research-concepts.com/qual-research-indepth.php. Accessed May 23, 2005.

⁶ Informa Research Services. Condensed guide to market research. Available: www.markettrends.com/guides/guide_method.htm. Accessed May 23, 2005.

⁷ Oklahoma State University Bureau for Social Research. Study development and consultation. Available: www.ches.okstate.edu/bsr/study.html. Accessed March 23, 2005.