

Focus Groups as a Marketing Tool

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SUMMARY

A focus group is one way to receive feedback from an outside objective audience. Often focus groups are used for consumer testing of products and foods but this handy tactic can also be valuable for architecture firms. Architecture firms can use focus groups to review a new Web site or print advertisement. Often a nonbiased opinion can point out strengths or weaknesses the creator of the promotion did not notice.

MOVING INTO NEW MARKETS

You've identified a market niche and a team of talent that you're pretty sure will get you in the door. The next step is to produce a brochure and start making cold calls, right? Wrong. As one design and construction consortium learned as it broke into the burgeoning entrepreneurial biotechnology market in its region, entering new markets successfully begins with research.

The consortium wanted to offer specialized services to an emerging market—speculative biotechnology research companies needing comprehensive services for move-in and move-up facilities. The prospects seemed promising, but among the consortium of architecture, engineering, project delivery, and move-in services providers, the equipment supplier was the only member with experience in this market.

The consortium's knowledge of the client side of the business was dangerously thin. It is an axiom of marketing that if you want to sell to someone, you need to know what that person wants to buy and how they'd like to buy it. The most direct way to learn this is to ask. This may seem simple enough, but to get meaningful answers, one must ask the right questions in the right way.

CHOOSING A MARKET RESEARCH METHOD

There are several ways to conduct market research:

- Personal interviews with decision makers and successful people who are driving the next generation of the emerging market
- Mailed surveys

- Telephone polling
- Web-based forums initiated by e-mail invitation
- Background or historical research on successful ventures in the field
- Focus groups of actual prospective customers

Of the available methods, the consortium needed to choose the method that would produce the most reliable results at the lowest possible cost. Personal interviews are intensive and time-consuming; surveys are costly to develop and manage and require considerable knowledge and skill to craft meaningful questions; and Web-based forums, while useful in validating information gathered through other methods, can be unreliable when used alone.

A focus group, while limited to a small number of people, can be most effective if it is properly directed and the participants are sufficiently representative of the target market. So the consortium elected to invite a group of people for a directed discussion focusing on their general business processes and needs and their reactions to the proposed market offerings.

THE VALUE OF A FOCUS GROUP: ELICITING CANDOR

People are far more comfortable reacting candidly to an idea if the proponent of the idea is not present. The key to a successful focus group is to retain a trained, independent session leader—someone who is not personally connected to the business venture.

If the focus group leader is also the champion of the idea, it is almost impossible for the leader not to react defensively to critical reaction. After all, if you believe in something passionately, you will marshal every argument you can to persuade others. This is a desirable trait of a lawyer before a jury, but it is the death knell of a focus group, whose purpose is to learn what the *participants* really think. Moreover, you are unlikely to even have the opportunity to be defensive; most people are reluctant to offer direct, genuine criticism in the first place. It's important to arrange a situation in which people feel comfortable speaking candidly.

WRITE A SCRIPT

The purpose of a script is to set the tone, guide the discussion, and help ensure that the focus group can address all of the desired issues in the allotted time. Most focus group sessions are no longer than 90 to 120 minutes. Begin informally with an icebreaking question, to help participants feel comfortable speaking out in the group and to establish a productive group dynamic. Questions should then progress from general issues to specific ones, such as the group's reaction to an actual marketing brochure.

Many focus group sessions are taped to enable the session leader to capture all ideas, which the leader then uses to develop a report for the consortium members. It is important, however, to assure participants that no one other than the session leader would ever hear the taped discussions.

INVITE SELECT PARTICIPANTS

Members of the consortium invited prospective clients to participate in the focus group and persuaded the director of the county's Technology Incubation Center (with whom the equipment supplier had worked before) to provide a meeting room. Be mindful that participants are making a gift of their time, knowledge, and opinions.

Scheduling the focus group in a convenient location and at a convenient time, such as midday (and providing lunch), will help increase participation and make the experience a positive one for participants.

SAMPLE QUESTIONS

The following questions guided the discussion of the biotechnology focus group:

- Who is currently in a lab? For how long? How big is the lab?
- Who is currently considering moving up to a larger facility? From what size to what size?
- Where do you (or did you) turn for help when you set out to build your lab?
- What was the first step you took after getting the green light in your lab-building decision-making process?
- Who was the first person you called? Briefly summarize your experience.
- When you made the decision to go ahead, what were the criteria around which you built your project description?
- What were the first things you defined: The size of lab? Cost? Schedule (when you needed to be

in operation)? Location? Staff? Equipment? Other things not listed?

- How do facility and lab management decisions get made in your company? Do you make them: a) by yourself; b) with a committee of colleagues/staff; or c) with your consulting advisors (attorney, accountant, real estate broker)?
- Please look at the brochure being distributed. For the moment, look only at the cover and tell me: What do you think this brochure is advertising? What is the first word or phrase you notice? Second? Third? Tell me the things that appeal to you. Tell me the things that don't appeal to you or that turn you off. What's missing?
- Do you want to be in charge of the design/build/move-in process? Does the idea of having an outside firm in charge appeal to you? Does the idea of a service consortium—providing architecture, engineering, construction, and equipment acquisition and installation—appeal to you, or do you think it would cause problems? Is there any critical element missing in the list of proposed services?
- What's the best way to get information like this to you? (Mailed brochure, letter, flyer, phone call, email, personal visit?)
- I'm going to list six words in alphabetical order. Please rank them in order of importance to you: architecture, construction, engineering, equipment, finance, regulation (codes, permits, etc.).

VALIDATING (OR ELIMINATING) IDEAS

Our focus group confirmed that the idea of moving into a turnkey facility appealed to research directors. But they were more interested in simply moving into fully functioning facilities housing similarly focused businesses than in building new ones. And as start-up businesses, the biotechnology companies were not interested in nonessential amenities. Thus it was apparent that the most likely target clients would be building developers and landlords, not the biotech companies. So while confirming that the market for the consortium's services did exist, the focus group also revealed that targeting individual biotechnology companies as clients would not be the best approach. The target clients would have to be building owners, and the individual projects with the best chances for success would be those housing more than one biotechnology company.

THE DAY AFTER

Though the primary purpose of a focus group is to conduct market research, an effective focus group stimulates thought and discussion that may generate actual business leads. It conveys to participants that the sponsoring service providers are sincerely interested in understanding clients' needs.

Participating lab directors subsequently contacted consortium members with inquiries for services. The consortium plans to hold more focus group sessions to build upon the knowledge gained in the first session and to further solidify its growing relationships with prospective customers.

ABOUT OUR CONTRIBUTOR

Donald (Chip) Levy is president and CEO of the Rochelle Organization Inc., a Washington, D.C., company providing strategic program and product planning services to design firms and professional societies.

RESOURCES

More Best Practices

The following AIA Best Practices provide additional information related to this topic:

- 05.01.04 The Gi/No-Go Decision: Form a Risk Management Perspective
- 05.02.04 Market your Strengths But Don't Oversell
- 06.02.01 Thinking Like a Client

For More Information on This Topic

See also "Marketing Planning and Strategies," by Roger L. Pickar, *The Architect's Handbook of Professional Practice*, 13th edition, Chapter 7, page 143.



See also the 14th edition of the *Handbook*, which can be ordered from the AIA Bookstore by calling 800-242-3837 (option 4) or by email at bookstore@aia.org.



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