Marketing Management: A Cultural Perspective

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Chapter 16.
Interpretive Marketing Research: Using Ethnography in Strategic Market Development

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Overview

This chapter focuses on interpretive research in marketing. Interpretive research is argued to be particularly well suited for gaining consumer market insight and for developing customer-oriented strategies. Being a data-driven approach, it enables marketing practitioners to keep up with and anticipate the continuous change that is taking place in the market environment, thereby inviting them to make sense of marketing activity in new ways. The chapter starts by discussing the general goals, principles and practices of interpretive research, comparing it with the more traditional approaches to marketing research. Then, the chapter turns to exemplify the interpretive perspective by discussing how ethnography—a key methodology in the interpretive research paradigm—might be fruitfully employed in the context of strategic market development, branding and cool hunting in particular. To conclude, the chapter outlines some challenges that marketing managers face when buying and evaluating interpretive research.

16.1 The case for interpretive marketing research

In most well managed business organizations, marketing is based on research. Marketers systematically gather and analyze data and information about their target markets so as to gain strategic insights into their business environments and to learn about the ways in which they need to relate to their customers, competitors, and other important stakeholders to succeed in the market.

The practice of marketing research is based on various forms of theoretical knowledge and expertise, which typically draw on micro-economics, consumer psychology, sociology of consumption, anthropology, and the methodology of social sciences. Using this knowledge and expertise, marketing practitioners seek to render their target markets and customers knowable and predictable as the objects of marketing activities. The different models and techniques of marketing research are thus important intellectual tools—strategy tools—that enable marketing practitioners to make informed choices and to function effectively in creating and implementing marketing strategies for brands and corporations.

According to the Glossary of Marketing Terms published and continuously updated by the American Marketing Association (AMA):

Marketing research is the function that links the consumer, customer, and public to the marketer through information—information used to identify and define marketing opportunities and problems; generate, refine, and evaluate marketing actions; monitor marketing performance; and improve understanding of marketing as a process. Marketing research specifies the information required to address these issues, designs the method for collecting information, manages and implements the data collection process, analyzes the results, and communicates the findings and their implications. (AMA 2009.)

As the AMA definition indicates, traditionally the objective of marketing research has been to support managerial decision-making by providing information—facts and figures—for well-defined
marketing problems, typically by measuring and monitoring processes, activities and preferences that already exist in the market. Much of the research that is commissioned and carried out today, for example, is based on market surveys of consumer attitudes, values, and lifestyles, or on quantitative studies of consumers’ purchase intentions and brand preferences. With fairly simple standardized research instruments, corporations systematically also monitor their performance and measure customer satisfaction, in hotels and restaurants for example.

In this chapter, we focus on a particular theoretical and methodological approach to marketing and consumer inquiry that is generally referred to as interpretive marketing research (Moisander and Valtonen 2006; cfr. also chapter 15). We contend that interpretive methods and methodologies are particularly useful for gaining Consumer Market Insight, a more holistic understanding of the consumer as a market actor and a member of culture and society. According to the AMA definition, Consumer Market Insight refers to

An in-depth understanding of customer behavior that is more qualitative than quantitative. Specifically, it describes the role played by the product/brand in question in the life of its consumers - and their general stance towards it including the way they acquire information about the category or brand, the importance attached to generic and specific values, attitudes, expectations, as well as the choice-making process. It refers to a holistic appreciation, which used to be traditionally split by market researchers and brand managers as qualitative and quantitative research (AMA 2009).

By broadening the focus of analysis from the psychology of individual buyers to the social psychology and sociology of groups and communities and their local cultural and spatio-temporal contexts—be they virtual or ‘real’—the new interpretive techniques of consumer market insight help marketers to explore and to gain strategic insights into the particular cultural and social categories, distinctions, relationships, and identities through which consumers make sense of their everyday life, construct identities and achieve social order in the marketplace. A particular strength of interpretive methodologies arguably is that they focus attention to the everyday contexts of consumer behavior and help marketing practitioners better understand the socio-cultural dynamics of marketplace behavior.

In the sections that follow, we therefore discuss interpretive marketing research as an intellectual technology that is particularly well suited for gaining consumer market insight and for developing customer-oriented strategies in the contemporary multicultural and continuously changing market environments. We begin by briefly explaining what we mean by ‘interpretive methodologies’ and what makes a study ‘interpretive’. Then we elaborate on the nature of interpretive marketing research, using ethnography as a paradigmatic example, discussing the new tools and methods it offers for marketers for learning more about their customers and about ways in which products, brands, and services are used in everyday life. Finally, we describe the ways in which interpretive inquiry may help companies to improve the effectiveness of their marketing strategies, offering two illustrative cases. First, we discuss the ways in which ethnography can be used to interpret existing markets to develop brand strategies, and then how it can be used together with cool hunting techniques to plan for future.

16.2 What makes a study interpretive?

While interpretive turn in marketing research arguably refers to a fairly heterogeneous body of research that draws from multiple theoretical traditions (Moisander 2008; Moisander, Peñaloza, and Valtonen 2009), what makes a study ‘interpretive’ is, perhaps, that it is based on theories and methodologies that draw on the interpretive approaches to social theory and philosophy of science. From this perspective, social action is intentional and rule governed; it is performed in order to achieve particular purposes and in conformity to some rules (Fay and Moon 1994). And therefore social action such as marketplace activity—can only be made sense of or interpreted based on knowledge of these intentions and social rules.
To illustrate, if we observe a man lifting his hand we have no way of knowing what this bodily movement or gesture means unless we also have information about the intentions of this person or about the social context in which it takes place. If the action takes place in a gym, we may interpret that the person is stretching and warming up before a workout. If, on the other hand, the action takes place in a classroom, we might think that the man is asking for permission to speak. In a corporate meeting room he might be voting. And in the street, he might just be happily greeting a friend. Hence, this single bodily movement, lifting of a hand, counts as a vote, a signal, a salute, or an attempt to get warmed up before physical exercise, depending on the set of social rules and conventions that are applicable in the situation and obviously also on the purposes that the actor engaging in the behavior happens to have for the activity.

Consequently, interpretive approaches to social inquiry are generally based on the idea that the social action can only to be interpreted by contextualizing it in the cultural system of concepts, rules, conventions, and beliefs that give meaning to that action. There are different streams of interpretivism (Schwandt 2003), which differ in their conceptualization of the system of rules that give meaning to social behavior. These rules can be naturalized cultural conventions and social practices, agreed-upon rules and regulations, or discursive systems. But in general, all interpretive approaches to social inquiry would seem to be based on the basic methodological principle that the concepts that are used to theorize and analyze social action (be it physical activities, mental events, or institutions) must capture the specific individual and/or collective meanings that these phenomena have among the social actors that are studied.

In research practice, this means that researchers must try to use the same concepts and meanings that the subjects of their studies themselves use. Interpretive research and empirical analysis is, thus, ‘data-driven’ and based on ‘emergent designs’. The theoretical concepts that are employed in the study are not fixed at the outset but rather drawn from the social life that is being studied—from the empirical context in which the action takes place—and gradually worked out from the data with the help of existing theory. In ethnography, for example, this means that researchers not only conduct open-ended personal interviews but also engage in systematic observation of the ways in which the members of the particular culture or community under study use language and other systems of meaning to make sense of their everyday life and to achieve social order. It also means that the research problems and the interpretive framework that guide empirical analysis are continuously revised and further developed as the researchers get familiar with and learn more about the objects of their study.

Furthermore, interpretive research, ethnographic research in particular, is based on studying people in their natural environments, in situ, as active social beings and members of communities and cultures with particular collectively shared understandings, rituals and social rules that guide and give meaning to action within the immediate social context of the activity. It is emphasized, particularly in the cultural streams of interpretive marketing research, that people live in households, belong to groups and organizations, and define their identities in relation to ethnic, professional, and other sub-cultural communities. And therefore they must be studied, addressed, and targeted as members of these groups, communities, and cultures (Moisander 2007; Moisander, Peñaloza, and Valtonen 2009; Moisander and Valtonen 2006; Peñaloza and Venkatesh 2006).

The interpretive research differs, hence, from the more traditional research approach in many ways. While aware of the risk of simplifying, in Table 16.1 we summarise and compare the two different perspectives and research orientations that the interpretive and traditional approach to marketing research offer, outlining the corresponding shift in the way the consumer market is thought of and worked upon. The next section turns to scrutinize in more detail the benefits, and drivers, of using interpretive research to understand consumer markets by way of referring to existing business examples and academic studies.
### Table 16.1 Comparison of traditional and interpretive perspectives on marketing research

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<th>Traditional perspective</th>
<th>Interpretive perspective</th>
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<td>To provide generalizable knowledge and ‘facts’ for decision making</td>
<td>To provide in-depth understanding of a specific consumer market</td>
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<td>Research design</td>
<td>A priori, theory-driven</td>
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<td>Unit of analysis; how customer markets are understood and conceptualized</td>
<td>The goal-directed individual; individual needs and wants; socio-demographic variables; resources</td>
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<td>Examples of marketing problems typically addressed</td>
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<td>Examples of methods used</td>
<td>Experiments, surveys (mail, telephone, personal, internet)</td>
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<tr>
<td>Empirical materials</td>
<td>Mostly quantitative: ‘facts and figures’; quantitative representations or measurements of preferences, attitudes, perceptions, intentions and behaviors, etc.</td>
<td>Mostly qualitative: interviews; discussions; photographs; videos; drawings; web-based materials; field notes and journals; diaries; stories; first-person narratives; documentary materials, fiction and media texts, etc.</td>
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### 16.3 Why interpretive marketing research?

For marketing executives, managers, and other practitioners, the traditional quantitative tools and techniques of marketing research offer valuable ‘facts’ or measurable information about the topics and issues that they already recognize as important—about something that they know that they need to know more about—to identify problems and opportunities that exist in the market. Drawing mainly on theory-driven methodologies, however, these techniques are largely inadequate for identifying challenges and opportunities that will arise from topics and issues that the practitioners do not recognize or come to think of as important—as it is something that they do not know that they need to know, as the cliché goes.

Quantitative surveys, for example, offer little intelligence for managing the strategic challenges and opportunities that will arise from the currently ongoing technological and cultural market transformations, such as the media convergence (Jenkins 2008) and the resulting participatory consumer culture (Jenkins 2006). Such transformations bring about important changes in consumers’ hopes, fears, and everyday routines of product use, which will inevitably change the rules of the game in the market in many important ways. In the contemporary global media industry, to illustrate, different new and traditional media technologies and modes of communication are currently melting and morphing into new forms and types.
of activities, products and services, thus changing the ways in which both corporations and consumers operate and interact with each other in the market. In these turbulent market environments, old industry recipes are losing their relevance and marketers no longer necessarily know what it actually is that they need to measure or monitor, or how to structure well-defined problems for managerial decision-making. The objects of inquiry for which their measurement instruments have been designed are taking new, radically different forms and may eventually even cease to exist, as the basic structures and old realities of the marketplace are rapidly changing. In participatory consumer culture, for example, media audience may no longer be conceptualized and studied, perhaps, as passive spectators and ‘targets’ of promotional messages, using the standard methods of measuring media effects. And the conventional techniques of prediction and explanation that marketers have developed and learned to use in strategic planning are losing their validity as the dynamics of marketplace activity is taking new, new forms, and a new logic.

In complex, highly dynamic circumstances like these, marketers and their researchers need to use more explorative and data-driven interpretive research techniques to gain a better qualitative understanding of the fundamental changes that are taking place in the market, as well as to re-think and revise their ‘best practices’ for managing customer relationships and competitive strategies. Instead of applying existing models and translating old theoretically derived knowledge into practical solutions, they often need to tap into the experience and practical knowledge of their customers—and marketing practitioners who work in close interaction with the customer, such as sales people and customer service specialists—to gain strategic insight and to build new planning models for marketing management (Schultz and Hatch 2005).

Therefore, in the contemporary market environments, interpretive approaches to marketing research are becoming increasingly popular particularly in the field of consumer marketing (Wirth Fellman 1999). Over the years, an increasing number of interpretive research strategies and methods have emerged for the study of the culturally shared or collective understandings and social practices that give meaning to and guide marketplace activity (Belk 2007). In strategic brand management, for example, it is acknowledged that the success and financial profits of marketers seem to be increasingly dependent upon the ability of marketers and strategy-makers to interpret, understand, anticipate, and control the consumption-related meaning that is relevant for their markets and products (Holt 2004). To carry out successful, innovative, and customer-oriented marketing strategies, marketers need to improve their ability to recognize and understand the prevalent symbols, myths, images, values, and cultural narratives of the culture of their target markets. Such cultural knowledge enables them to design products and services that add value and make sense in the everyday life of their customers.

Douglas Holt (2003), for example, has argued that Nike, Harley-Davidson and many other powerful global brands maintain a firm hold in the marketplace mainly because they have become cultural icons. They do not succeed primarily because they offer distinctive benefits, trustworthy service, or innovative technology, but rather because they forge a deep connection with culture. They invoke powerful cultural narratives and myths, citing culturally shared meanings, norms and values, and thus give people a sense of structure and security in their life. Therefore, these brands continue to add value for their customers, year after year.

16.4 Ethnography as an intellectual tool for gaining consumer market insight

In this section we discuss ethnography, which arguably epitomizes interpretive research, as an intellectual tool for gaining consumer market insight (see e.g. Arnould and Wallendorf 1994; Elliott and Jankel-Elliott 2003; Peñaloza and Cayla 2007). Ethnography refers to a research process in which the researcher participates in the daily life of consumers in a particular social setting and collects data using a set of ethnographic fieldwork methods (particularly participant observation and personal, in-context interviews) and then writes accounts of this process. Essentially, ethnography encourages marketers and their researchers to make sense of human social behavior in terms of cultural patterning. As Harry F. Woolcott (Wolcott 1995: 83-84) has argued:
“To pursue ethnography in one’s thinking, doing, and reporting is to engage simultaneously in an ongoing intellectual dialogue about what culture is in general—and how […] culture influences without controlling—while attempting to portray specific aspects of the culture of some human group in particular.”

Originally, ethnography was a research strategy developed by cultural anthropologists for the study of ‘other’ people in faraway places. Anthropologists would typically participate in the everyday life of an exotic tribal community, for example, over an extended period of time, trying to learn the language and cultural traditions of the tribe. But today the fieldwork methods perfected in anthropology are widely used in all areas of interpretive social science, also for the study of cultures and sub-cultures that are more familiar and closer to home.

Recently, leading consumer electronics companies such as Microsoft and Motorola, for example, have hired staff and consultants with anthropological credentials, trained ethnographers and even people with a PhD in anthropology. As a result of globalization and technological development consumers, consumer markets and consumer culture have changed, and corporations need new knowledge and new ways of gaining insights into not only how consumers have changed but also into the complex social and cultural processes through which this change has taken place. Anthropologists are particularly well suited for studying these changes because the ethnographic methods and techniques that they use are specifically designed for delivering insights into the unfamiliar and the strange.

The task of these anthropologists usually is to immerse themselves into everyday life of consumers to provide detailed accounts of the patterns of behavior that the use of specific technologies and devices entails. The customer-centric knowledge that ethnographic methods produce is then injected into the development of technological products. Tracy Lovejoy, for example, describes ethnography and her work as a corporate anthropologist at the Microsoft Corporation in the following way:

The ultimate goal is to understand the holistic view of the world from our participants' eyes, as opposed to viewing the world from our own perspective. For Microsoft, this translates to understanding how our customers -- and potential customers -- experience the world and how technology fits into that experience.

Ethnographers at Microsoft study people; look at their behaviors, values and desires, then make recommendations about how technology can better serve people's lives. This translates to feature ideas, product improvements and new potential markets. Our mantra is that technology should conform to people's lives, supporting their existing needs and behaviors, rather than people's lives having to conform to technology, changing their needs and behaviors.

I try to help ground our planning and development in the real-world scenarios and behaviors of our customers. If we can understand our customers' lives, needs and pain points, we can make products that can really help them. This manifests in many ways. In the planning and early milestone phases, I work closely with product-team members across disciplines such as user research, project managers, testers and developers. I try to be the relentless voice of the customer. (Microsoft Corporation 2009.)

While much of the traditional, quantitative research in marketing aims to produce knowledge and information, e.g. law-like generalizations (Hunt 2002), that can be generalized across time and context, ethnography is, first and foremost, the study of social phenomena in situ or in particular contexts.

In its basic form, ethnographic fieldwork consists of a researcher spending time in a specific research setting, having direct and sustained contact with the social actors of the setting (Atkinson et al. 2001). By entering into close and relatively prolonged face-to-face interaction with people in their everyday lives, ethnographers aim to develop an in-depth understanding of the ways in which consumers use and give meaning to products and brands in their everyday lives. Tracy Lovejoy explains:
When in the field, I spend full days with my customers. For example, one day in Finland in 2003, I arrived at the family’s home at 7:30 a.m., they ate their breakfast, packed up, and I jumped in the car with the mother and father. The father dropped the mother and me off at the metro, where we traveled to her job at the Helsinki Opera House working as a department scheduler. I sat near her desk most of the day, taking notes, photos and video of her behaviors, actions, interactions and conversations. I would follow her to other offices and meetings. At the end of the day, we stopped at the market, then on to her language class, then home in the evening. The next day, I followed her son to high school. (Microsoft Corporation 2009.)

In the field, the ethnographer thus typically systematically observes and makes notes of the everyday activities and interactions that take place at the site, trying to make sense of the cultural patterning of social action in the setting.

The strength of these observational methods and techniques is that they allow the corporate ethnographer to record the mundane incidents, activities, and practices of everyday life that tend to remain unnoticed as self-evident to consumers themselves. Much of consumer behavior involves everyday routines and practices that consumers do not actively think about. And when asked, they do not necessarily come to talk about—or do not even know how to talk about—these routines and patterns. The ways in which people use technological devices in their everyday life, for example, may be so habitual and routine-like that in an interview situation it is difficult for them to elaborate on or even describe how they actually use them in their day-to-day. These types of practices and the associated purposes of use are therefore difficult to capture with traditional survey methods and interview techniques, which are largely based on the assumption that people are conscious of and able to reflect upon their personal motives and behaviors. In focusing on what people actually do, and not on what they claim to do, ethnography thus responds to people’s inabilities to talk about and account for habitual and culturally complex behaviors (Arnould and Wallendorf 1994).

As part of their fieldwork, ethnographers typically also do interviews, both in structured and informal forms, as well as keep a diary of their casual conversations with the participants of the study. In ethnographic research, the interview is not so much a method of extracting information from informants but rather a vehicle for producing cultural talk, which can be analyzed to gain cultural knowledge about the marketplace (Moisander and Valtonen 2006). From this perspective, the interviewee is not viewed or treated as a “passive vessel of answers” or a repository of facts, feelings, and information about the topic under study (Gubrium and Holstein 2003:31). Interview is rather understood as a collaborative undertaking and as a dialogue that takes place between the interviewer and the interviewee, who actively uses the cultural resources that are available at the setting to construct meaningful accounts of the social reality in that setting (Moisander, Valtonen and Hirsto 2009).

Besides these basic methods, ethnographic fieldwork may also involve using various visual research methods, such as taking photographs and video recordings, and gathering material cultural artifacts such as brochures, flyers, business cards, newsletters, or newspapers to obtain detailed information about the setting from multiple perspectives (see e.g. Peñaloza 2001; Peñaloza and Gilly 1999). The study of visuals, things and qualities that appeal to the sense of sight, is important because visual representation is an essential element of contemporary Western consumer culture (Schroeder 2002). Visibilities, not only images but also visible objects and visual arrangements of all kinds, carry meanings in the marketplace. And people routinely draw on these meanings when they communicate and interact with each other in their day-to-day. For marketers, it is therefore important to study visual representation and the meanings that can be read off specific visibilities, such as package designs and brand logos, by the potential customers of their target markets.

Besides new product development, ethnography and ethnographic methods offer valuable information about brand meanings (Brown, Kozinets, and Jr. 2003) and consumers’ brand relations (Fournier 1998). Ethnographic methods are well suited for exploring how people use brand meanings not only to construct their identities but also to form communities, such as The Holiday Rambler Recreational
Vehicle Club \(^1\) or The Harley Owners Group \(^\ast\) (H.O.G)\(^2\) (see e.g. Schouten and McAlexander 1995). The term brand community refers to a specialized, non-geographically bound group of people, based on a structured set of social relations among admirers of a brand (Muñiz and O'Guinn 2001).

Many corporations are currently actively incorporating these ideas about brand communities into their brand strategies by supporting and nurturing the communities that have emerged around their brands. At the Harley Davidson website, for example, owners of Harley Davidson motorcycles are encouraged to join the H.O.G. brand community to form and engage with families that we can choose (Weston 1997):

> Who says you can’t choose your family? Become a part of H.O.G., and meet the thousands of brothers and sisters you’ve always wanted. (The Harley Owners Group \(^\ast\), H-D Michigan, Inc. 2009.)

For marketing and consumer researchers, virtual brand communities constitute a particularly interesting source of data for interpretive analysis. At the websites of virtual brand communities, consumers often post messages and engage in lively discussions where they try to inform and influence the opinions of the other community members. This communication provides marketers with important information about brand image and consumer preferences in target markets. In the course of this interaction, the members of the brand community typically also talk about themselves and provide links to their personal blogs and websites, offering marketers a rich source of data on the personal views and values of the potential and actual customers of the brand. A study by Hope Schau and Mary Gilly (2003) shows, for example, that in personal websites consumers construct identities by associating themselves with commercial signs and symbols to construct and express their identities.

To understand and investigate these various on-line or computer-mediated environments, virtual methods such as virtual ethnography—or netnography—have been developed (Kozinets 2002). Netnography refers to ethnography that is undertaken in computer-mediated environments. As in conventional ethnography, virtual ethnography researchers either participate in the interaction that takes place in the research setting or they can just observe it by “lurking”, for example, monitoring a website through non-participant observation (Maclaran and Catterall 2002: 323-324). Moving ethnography to an online setting, however, brings along a number of challenges that need to be dealt with when studying virtual communities. Online interviewing, for example, is a special kind of interactive situation, which is guided by a set of social rules and conventions that is different, to some extent, from typical face-to-face interaction. Whilst non-verbal cues such as eye contact and body language are crucial ways to create rapport in face-to-face interviews, online interviews must rely on different kinds of paralinguistic cues.

More recent forms of ethnography have also drawn attention to the ways in which all the senses—sight, sound, touch, taste, and smell—are involved in the phenomenon under study and in the process of doing ethnographic fieldwork (Valtonen, Markuksela and Moisander 2010).

Overall, the interpretive approaches to marketing research, such as ethnography, thus constitutes a powerful intellectual technology for studying marketplace activity at the grass-roots level and for gaining consumer market insight in the contemporary multicultural and rapidly changing cultural environments. Using the basic tools and techniques of interpretive marketing research, marketers are able to gain valuable cultural knowledge about the ways in which consumer experience—and satisfaction—is constructed and negotiated in the marketplace. And this knowledge can then be fed into marketing strategies to design customer-oriented market offerings that are based on orchestrating consumer

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1 The Holiday Rambler RV Club (2009), http://www.hrrvc.org/index.html

2 The Harley Owners Group \(^\ast\), H-D Michigan, Inc. (2009)
http://www.harley-davidson.com/wcm/Content/Pages/HOG/HOG.jsp?locale=en_US
experience in and through complex encounters between the customer, the service provider and a particular visual and spatial environment (see e.g. Arnould and Price 1993; Kozinets et al. 2004).

Next we shall illustrate the benefits of interpretive marketing research with two case examples, discussing the ways in which ethnography can be utilized in brand development and cool hunting.

16.4.1 Ethnography in strategic brand development

The first case in point, which is based on the work of Bernard Cova and Véronique Cova (2002), illustrates the ways in which ethnographic methods may be fruitfully employed in brand development. The case is concerned with the brand development of *Salomon*, famous in winter sport equipment, which repositioned its brand image by applying a *tribal marketing* approach when developing its snowboards and in-line skaters (cfr. chapter 12). As we discussed above, more and more marketing scholars and managers have realized that a deep understanding of customers’ tribal activities – the way customers form different communities of interest, the way they interact across them, and the way products and brands are involved in the activities of communities – is essential for developing a successful marketing strategy.

For Salomon marketing people, the first task was to gain an understanding of the tribal world of the snowbroaders and in-line rollers. To start, they needed to explore what is the status of the brand among tribe members. Towards this aim, Salomon people “went to the field” acting like ethnographers: they observed the users, were present in playgrounds, hanged around at cult places, engaged in the hobbyist activities, analyzed the rituals, symbols and practice codes of the tribes. They also supported tribe members’ events and contests, and ended up in inviting the tribe members to co-design Salomon products and marketing materials. In doing so, Salomon people succeed in forging a relationship between their products and the tribe members.

As a result, Salomon witnessed a considerable rise of its market share and a new brand position (in 1999 Salomon became number three in the world for in-line products, and rose to number three in the snowboarding French market). While the figures offer evidence that tribal marketing provides promising marketing opportunities, the eventual success lies at a careful appreciation of specific principles of a tribal approach. As Cova and Cova (2002) point out, marketers need to have great respect for the constituent features of the tribe. They need to interpret and understand the structure, ethos, values and practices of a tribe, and to acknowledge that the role of the marketer is to support, facilitate, and assist the tribe members’ activity— to enable the tribe members to connect with each other, in particular. Hence, in a tribal approach the traditional roles and relations of marketers and customers are unsettled: instead of being providers, marketers become facilitators and customers active co-creators and co-marketers (Firat and Dholakia 2006). As a result of these new types of customer-marketer partnership, the traditional boundaries dividing the company and the customers become evermore fluid.

Ethnographic methods, such as employed in this case, allow marketers to gain insights into the ways in which the product and brand meanings are actively produced, mediated and shaped in the midst of different consumption activities. This viewpoint brings at the fore that meanings are not, and cannot be, fabricated in brand management offices nor in advertising agencies, they are— ultimately—fabricated and deployed in the field. The interpretation of these meanings is the primary managerial task.

16.4.2 Ethnography in coolhunting

The particular logic of coolness— what is “in” now is “out” tomorrow—fuels the engines of business and economy in many remarkable ways. It is hence increasingly critical for managers and executives to try to predict the future trends so as to stay ahead the curve. An amounting number of companies have discovered the benefits of *coolhunting* in various domains of business life. As Peter Gloor and Scott Cooper (2007) discuss coolhunting principles can be applied by venture capitalists to discover new investment opportunities, by sales executives to create better sales forecasts, by financial analysts to
identify market trends, and by marketing managers to predict consumer trends, develop new product and service offerings, or to anticipate the development of customer markets.

Coolhunting principles and techniques are, in a significant extent, based upon a skillful interpretation of cultural marketplace— and upon the application of ethnographic methods. In anticipating what’s next, coolhunters observe people through the Web, blogs, newspapers, magazines, and broadcast media, they hang around in likely and unlikely places, and engage in a range of activities of different customer groups. They employ, in other words, basic ethnographic practices. Yet, the data they gather may take specific forms. The data may appear in pictures, it may be a rumour, a hint that is not yet verbalized, or a heated discussion in a blog.

Importantly, the practices of coolhunting, point to the need to intimately understand cultural complexities of marketplace behavior and, in particular, group behavior. As discussed by several scholars, the essence of cool can not be revealed if the marketplace is thought of in individualistic terms (Heath and Potter 2004; McCracken 2009). On the contrary, the process of finding cool and cultivating cool requires a profound understanding of the dynamics of socio-cultural and political environment as well as within-group and between-groups behavior (see also Moisander, Peñaloza and Valtonen 2007). Let us exemplify the point in relation to terms of counter culture, collective mindset, and diffusion of cool.

In their recent book Nation of Rebels, Joseph Heath and Andrew Potter (2004) discuss how cool is structured by a restless quest for rebellious nonconformity. “Cool” is, according to them, a cultural stance that is denoted as edgy, alternative and hip, and as such an efficient way for consumers to articulate identities. This take provides us a better understanding of the way counter culture seeds the emergence of new trends. Roughly put, the rebels of today are the trendsetters of tomorrow. Therefore, in attempting to anticipate what’s next, coolhunters and marketers need to draw attention to, analyze and interpret signs of resistance and rebellion, since they may turn out to be key indicators of future trends.

Furthermore, coolhunting is essential to understand how the collective mindset works. Therefore, gaining insight into the workings of diverse social networks—how people form groups and networks in sites such as Facebook, how people collaborate and gossip there, and what kind of information they share across different networks—is a pre-requisite for efficient coolhunting. In the words of Gloor and Cooper: “Just like social networks allow people to spread ideas, social network sites allow people to leverage their social networks to spread information, culture, and gossip.” (Gloor and Cooper 2007: ix). By paying attention to what kind of cultural information people share, and what their friends share, companies can learn a lot about what is cool.

To describe the collective mindset, Gloor and Cooper use the word “swarm”. In biology, the term swarm refers to the behaviour of a group of animals travelling in the same direction. In contemporary virtualized era, the formation of swarms is commonly based on the voluntary collaboration of people who share the same interests — the coolest trends are often the ones that are fed off this collaboration.Importantly, these social networks are at their best when they unfold on their own. Therefore, “it is critical to keep in mind that the swarms are rightfully distrustful of those who try to regulate, control, or capitalize on their social interactions and identity displays” (Gloor and Cooper 2007: xiii). Companies may explore what the swarm is creating when collaborating by immersing in the social and cultural milieu of the swarms with the help of netographic methods described earlier, for instance.

The diffusion of cool commonly begins with a small group of people who are followed by a group of early adopters— as widely discussed in the previous marketing literature. In practice, the trendsetters who spread out the new ideas are the most connected people, and it is therefore important for marketers to try to identify them. “Just as epidemics spread through direct contact between people, so cool moves laterally through peer groups.” (Gloor and Cooper 2007: 216). So as to understand this ‘movement of cool’ coolhunters and managers need to focus on the social nexus of the customers, not on the single individuals.

16.5 Conclusion: The managerial challenges of deploying interpretive analyses

While in the history of marketing research scholars and practitioners alike have tended to rely primarily on the facts and figures that survey analysis and statistics provide, in the current constantly
changing market environments marketers are increasingly opting for new tools and techniques that interpretive methods and approaches now offer for gaining strategic insight, particularly for consumer marketing. Here we have concentrated on ethnographic methods, but the set of methods and methodologies developed in the field of interpretive marketing research is obviously much broader (see e.g. Belk 2007) and draws on multiple disciplines and theoretical traditions besides anthropology, ranging from literary theory to visual studies. No matter which interpretive tools and techniques are used, however, it is important to remember that the use of interpretive data per se does not ensure valuable insights into the cultural complexity of consumer experience and marketplace activity. Only the practitioners and researchers who are able to make insightful interpretations of those data may gain knowledge that is valuable for designing customer-oriented strategies and for building competitive advantage in the market.

In practice, moreover, buying and evaluating interpretive marketing research for business purposes may often be challenging because the philosophy of interpretive marketing and consumer inquiry challenges the marketing practitioner to re-think many of the received wisdoms in the trade.

First of all, in setting objectives for interpretive analysis, marketing executives and managers need to reject the idea that there is ‘one truth to be discovered’ and accept the basic assumption of interpretivism that all empirical phenomena are open to multiple interpretations, which vary with the interpretive frameworks and mindsets that are used in making sense of the phenomena. For this polyphony of social life, it is critically important to carefully reflect upon the managerial mindsets and implicit frameworks that guide the process of inquiry. To fully benefit from interpretative analyses of marketplace activity, marketing practitioners need to unlearn many of the managerial truths about customers as decision-makers and goal-oriented individuals who need to be addressed as demographically defined targets of marketing communication (cfr. chapters 11, 12, and 19). Instead, in defining objectives and research designs for interpretive inquiry the focus should clearly be set on exploring and elaborating the cultural complexities of marketplace phenomena.

Moreover, when evaluating the reports on interpretive analyses, marketing executives and managers need to put aside—at least for a while—their preoccupation with facts and figures, as well as their fixations with accurate measurement and prediction. They need to be able to broaden their views about what constitutes data and appropriate knowledge of marketplace phenomena. Instead of drawing attention merely to issues such as the size of the sample, the accuracy of information, or the generalizability of the results, it is important to evaluate the insightfulness of interpretive frame, the variety and quality of empirical materials, or the creativity in drawing up conclusions. While interpretive research cannot offer quantitative estimates and predictions, it provides us with other forms of valuable strategic understanding based on rich qualitative analyses of visuals, texts and the soundscape.

Overall, the set of issues to be considered when making decisions about buying ethnographic market research is often much broader and more complex than when ordering a standard customer survey. To illustrate, when commissioning a market research company to carry out an ethnographic study on shopping behavior, for example, it is important to carefully reflect upon the selection of the research site (e.g. malls, marketplaces, on-line stores), the timing of the fieldwork (e.g. time of the day, weekend versus weekdays), and the adequacy of the empirical materials (e.g. pictures, observations, interviews) that are to be used in the study. Moreover, before closing the deal, it is also necessary to know something about the individuals who will actually do the fieldwork. In selecting the researchers, it is important to pay attention not only to their analytical skills but also to their social position (e.g. their age, gender, ethnicity) in the community that is being studied, as the position opens up a particular analytical perspective on the research site. A good ethnographer also needs to have good social skills to engage in fruitful inter-personal interaction at the site, as well as an adequate cultural sensitivity for making sense of the socio-cultural order that prevails in the community. Finally, the ethnographic researcher needs to be capable of producing good ethnographies: vivid, sensitive and down-to-earth descriptions and interpretations of what happens in the field (e.g. in the form of films and stories).
Consequently, to successfully develop and deploy interpretive, consumer market insight, marketing executives and managers may well need to re-think their strategic mindsets and routinized practices. Working with interpretive analyses requires not only a methodological but also epistemological shift in managerial thinking (cfr. chapter 15) – to gain consumer market insight it is necessary to not only adopt new techniques of analysis but also new conceptual tools and ways of thinking about marketing and consumer behavior.

**Review and Discussion Questions**

1. Outline and elaborate on characteristic features of an interpretive study. What are, in your opinion, its key strengths and challenges from the perspective of strategic market development?
2. Write an outline for an interpretive marketing research plan for strategic brand development, based on ethnographic methods.

**References**


Gloor, Peter and Scott Cooper (2007), *Coolhunting. Chasing Down the Next Big Thing*, New York: AMACOM.


**Online sources**


The Holiday Rambler RV Club (2009), http://www.hrrvc.org/index.html