

A Qualitative Approach to Understanding the Path-to-Purchase

Case History

Category: *Cosmetic*

Methods: *In-Person Focus Groups, Virtual-Ethnography (Remote Desktop Viewing), Path-to-Purchase, Time-Extended™ Qualitative*

Summary

Decision Analyst's client, a cosmetic manufacturer, was interested in gaining a better understanding consumer perceptions and usage of Amazon.com. Management wanted to identify and understand why cosmetics' users read reviews, shop and buy online vs. in store and how they might stop or reverse this trend to online, or possibly take better advantage of the online channel. To this end, the client asked Decision Analyst to propose an approach to address these needs and find solutions.



Strategic Issues

The client wanted to better understand the customer's path-to-purchase and make improvements to their website, as well as other websites which they controlled. Of specific importance to the client was the appeal of Amazon.com to consumers versus other websites consumers access in the category, and leverage findings to drive online sales. Additionally, they desired to find ways to improve consumers' in-store experience.

Research Objectives

The research objectives were to:

- Obtain a holistic assessment of the customer's shopping experiences and requirements in the context of shopper types, values, expectations, buying circumstances (missions), etc. between various online retailers and stores.
- Identify linkages between the shopping experience and product experiences, and loyalty to the place of purchase and brand/product.
- Explore shoppers' desired online and in-store beauty shopping experiences.
- Uncover strengths and weaknesses of Amazon, as well as other competitive websites that the client company can capitalize on, and areas of opportunity for client company websites.
- Understand how and why shoppers are using Amazon.com, and what missions it fulfills.

Research Design and Methods

The research design required two different groups of females 25 – 52 years of age who purchased prestige makeup and/or facial skincare products in the past three months.

- **Group 1:** All Amazon and retail partner store shoppers; some of which happen to also buy at other websites. Purchased prestige makeup and/or facial skincare products at a high-end store at least once in the past year; also purchased from Amazon at least once in the past year and plan to do so again within the next year.
- **Group 2:** All Amazon and other websites beauty shoppers; some of which happen to also buy at retail partner stores. Purchased beauty from Amazon.com at least once in the past year, at least once from other cosmetic brand and retailer websites and plan to purchase from Amazon again within the next year.

A multi-phase qualitative approach was designed to gain deep understanding of consumers' needs, desires, shopping experiences, and shopping decision making behaviors, both in-store and online.

1. **In-Person Focus Groups:** A total of 4 focus groups were conducted (one Group 1 shoppers and one Group 2 shoppers were conducted in 2 separate markets). These four group discussions allowed us to listen to shoppers' language about prestige beauty and delve into their shopping missions and experiences.
2. **Two-Day Time Extended™ Online In-Depth Interviews:** Online interviews were conducted via our proprietary online bulletin board platform among 15 women from Group 1 and 16 women from Group 2. The interviews lasted approximately an hour and provided a deeper understanding of participants' online and store buying behaviors.
3. **Follow-Up Phone Interviews With Remote Desktop Viewing (Virtual Ethnography):** 45-minute follow-up telephone interviews including remote viewing of participants' computer screens. We watched how participants used various websites to research and purchase prestige beauty products. Half of the interviews included webcams which allowed us to see their facial expressions and observe emotional engagement with the websites they visited.

Results

The client learned a great deal about what makes Amazon appealing to consumers. Specifically, they learned where Amazon exceeded expectations and also what features were found to make for a loyal following for Amazon. Additionally, the client learned Amazon's failings and where the respondents felt disappointed. These findings were used by the client to assist their major retail partner in a number of areas, including improvements to their in-store, behind the counter processes and displays. The client used this research to improve their own website, as well as other websites which they controlled to drive traffic and increase online sales.