When Should You Use Focus Groups? J. Scott Armstrong The Wharton School June 19, 2004

In May 2004, Warner Brothers announced that they were dropping focus groups as a way to test new TV shows. Good idea?

Yes. Focus groups are nearly always detrimental to decision making. There are some exceptions, but these occur so rarely that most organizations should avoid focus groups.

Conditions Favoring the Use of Focus Groups

Focus groups should only be used when all four of the following conditions are met.

1. You lack any knowledge about what customers (or other key stakeholders) think in a particular area.

This condition occurs sometimes. More commonly, however, you have some knowledge and the key is to decide what additional knowledge might affect decision-making.

2. You want to get responses that are *biased* by other subjects.

In scientific work, much effort is devoted to ensuring that subjects' responses are not biased due to the researcher or other subjects. Focus groups are prone to bia. For example, as one opinion starts to emerge, bandwagon effects often accompany it.

When would you like to have intentional bias? Perhaps when your aim is to reflect the bias of the real world. For example, an opinion may be dependent upon one's peer group. This can occur with visible products like clothing or automobiles, where people are concerned with what others might think. In such cases, the focus group should be conducted with peers.

3. You can effectively prevent yourself or management from generalizing about the results.

A substantial amount of research (called "case versus base," "small sample research," or "vividness") suggests that people are likely to draw false generalizations from detailed examples. Focus group outcomes should be viewed merely as starting points for research, and are not to be considered as evidence. If you conduct a focus group, be sure that decision makers are warned about this problem. Also, it is best that decision makers do not see

these sessions.

4. You plan to follow the focus group with research that can be used to generalize.

Focus groups might be used to develop ideas that can be tested through interviews, surveys, or other research techniques.

Avoid Misuse of Focus Groups

It might be tempting to use focus groups as an implementation technique; that is, it could provide a means of claiming, "we asked for employee input before making changes." Problems arise, as above, due to bias and inefficiency.

Bias can result from many aspects of focus groups, such as the session leader's behavior, payments for participation, wording of questions and follow-up questions, and discussion among the focus group members. It can also arise from people's reluctance to put forth unusual opinions. Finally, management is free to selectively pick responses and to interpret them as they see fit.

According to the American Marketing Association's Code of Ethics, one should not sell "under the guise of conducting research." It is not clear that this includes efforts to sell ideas within an organization. Still, using focus groups to support fait accompli decisions could be regarded as unethical and detrimental to morale.

An Alternative to Focus Groups

One-on-one nondirective interviews (NDI) is less prone to bias than focus groups. Also, NDI typically produces far more ideas for a given expenditure because there is no time spent while respondents listen to others.

References

Fern, E. F. (1982), "The use of focus groups for idea generation: The effects of group size, acquaintanceship and moderator on response quantity and quality," *Journal of Marketing Research*, 19, 1-13.