Bíró, Szilvia; Botzenhardt, Florian; Ferdinand, Hans-Michael

Article
Online Surveys vs. Online Observations: A Comparative Analysis of Online Research Methods and their Impact on Brand Management

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In today’s business world, there is an increasing amount of markets that are inhabited by companies which offer similar products with a comparable level of quality and are fighting for market share. Buyers’ markets are the most common market situation. In this case, brand recognition plays an increasing and essential role for successful companies (Fischer, Völckner & Sattler 2010, p. 823f). Brand management is an indispensable component of managing businesses. Without sufficient information about markets and about customer insights and their behaviour, it is almost impossible to design and accomplish an adequate brand management. Because of the tightened competition companies are forced to gain more detailed information and very specific awareness of the potential customers to be able to respond to the customer needs and demands. This demand for information increases the importance of market research.
Fortunately, the technical progress, especially the wide availability of computers and fast internet access creates new possibilities for enterprises to gain information. The internet offers many ways to gather information and to conduct market research. Especially the rise of Social Media like Facebook and Twitter enable new forms of online observation and customer monitoring. But is this form of market research really a matchable alternative to traditional methods? Can online observations contribute significantly and ultimately more to brand management than online surveys? In this analysis, a critical consideration and comparison of both market research techniques will be conducted with the goal to emphasize the advantages and disadvantages of the respective research tools.

**The Role of Market Research in Brand Management**

Based on the customer benefit of a brand, brands are key issues for company success (Meffert 2004, p. 295). For that reason, brand management is a central organizational factor for the management and contributes to a sustainable business success. Companies are eager to manage, coordinate and determine their brands as they are an essential value driver for the enterprise (Schmidt & Vest 2010, p. 22). In addition, the importance of brand management and branding has increased among others because of a tightened competition on a globalized market, rising product diversity as well as information overload on the consumer side. It is crucial to ensure that the company’s products and services stand out from the competition. At this point branding and brand management play an essential role (Friederes & Rejzlik 2007, p. 79).

**The Connection Between Brand Management and Market Research**

Developing a sustainable and successful brand is a complex management issue. The development of the brand strategy is a process which needs to be based upon reliable data and information. The main sources for this information are on the one hand the knowledge and educational background of the working staff and on the other, primary and secondary market research (Moor 2007, p. 55).

**Methods for Active Online Research**

Today there are many methods which can be used to conduct active online research with new variants developing and disappearing along with the creation and extinction of online services and products. The most commonly used and established are surveys, online focus groups and blogs.

**Surveys**

Online surveys are the web-based variant of the probably most typical research method. Compared to their paper-based predecessors they entail major advantages and disadvantages. According to Evans & Mathur (2005, p. 197) these strengths include a possible global reach, the flexibility to be used as well in B2C and B2B scenarios, speed and convenience both in delivery and analysis, relatively low costs and high manageability while the weaknesses include the possible perception as junk mail or spam, the lack of total control over the sample selection or missing experience / expertise on the respondent’s side ultimately leading to weak findings (ibid).

**Weblogs**

Weblogs or online diaries are quite similar to the offline written diaries in the field research. The recruited participants write down their experiences, activities, observations, as well as their opinions and emotions as defined by the study requirements. For this method, most often there is a specific and often closed (e.g. password-protected) blogging platform provided. The interviewees can log in with their personal log in data and are able to write their own online diary in constant periods and are often animated to incorporate videos, photos and other media in their posts (Theobald & Neundorfer 2010, p. 78; Koch 2012, p. 176). The process of gathering information using weblogs can be either designed openly with few
In contrast to the synchronous online discussions, the participants of asynchronous focus groups take part in the discussion time-delayed, as they log in the chat forum or other online platforms at a different time. Here, similar to the synchronous focus groups, a discussion about a topic, typed messages and texts, which are visible for the whole group, can be started. The difference is that through the non-contemporaneous participation in the discussion the group members read and give opinions to the answers of the single members. In this connection, the moderator has more time and possibility to respond to single answers or ask further questions (Mann & Stewart 2000, p. 102; Theobald & Neundorfer 2010, p. 100f).

**Online Focus Groups**

Focus groups contain a number of people interacting with each other, discussing about a specific topic while being guided and supervised by an especially trained moderator (Morgan 1996, p. 130) and are a commonly used research method. They offer several benefits which Zikmund (2007) describes as „10S” (see figure 1).

Enabled by the technological capabilities of the internet, today focus groups can also be conducted online, either text- or video-based (Böhler 2004, p. 88), being similar to the real-world equivalent with the exception that they do not take place in a real (test) room but in a virtual chat room (Koch 2012, p. 178). Online focus groups can be segmented into synchronous and asynchronous discussions (Gnambs & Batinic 2007, p. 348ff).

Synchronous online discussions occur live, as all participants are simultaneously in the same virtual conversation room and talk with the help of chat or messenger programs. The typed answer of one group member is directly visible for the rest of the group. All the text inputs, arranged accordingly to the respective user name of the group members, are shown in a time lapse. After the ending of the discussion, these text inputs are available in text for the researcher. The group members can also see the other answers and can react to them at the same time.

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**Synergy** – Focus groups generate a wider range of information than a comparable number of depth interviews.

**Snowballing** – The interaction between group members creates a chain of thoughts and ideas.

**Serendipity** – Boosts the possibility that a great idea emerges out of the blue.

**Stimulation** – The true views of the participants are brought out through the group process.

**Security** – A group of like-minded people and lesser individual pressure encourages participants to be candid.

**Spontaneity** – Focus Groups stimulate spontaneous responses when people have a definitive point of view.

**Specialisation** – A trained researcher / moderator is able to interview several participants simultaneously.

**Structure** – Topics that have been missed can be easily and inconspicuously reintroduced by a trained moderator.

**Speed** – Focus groups are quicker than individual depth interviews.

**Scrutiny** – Focus Groups can be observed by additional researchers or other staff involved.

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*Figure 1: Benefits of Focus Groups*  
*Source: Zikmund (2007) and Stokes & Bergin (2006, p. 27)*
dents in virtual communities (Mann & Stewart 2000, p. 88f). This can include studies about the usage of websites by evaluating saved usage statistics or the tracking of mouse or eye movement during the website use, leading to complex usability tests. The increased popularity of social media has also greatly expanded the possibilities for online observation (Theobald & Neundorfer 2010, p. 121).

**Reactive Online Observations**

In the case of reactive online observations, also called non-participating observations, the participants are aware about the observation of their behaviour. To this category of online observations belong usability tests. In this connection, the word "usability" means the handling or the user-friendliness of systems, for example hardware, software or website. Usability should secure the efficient way of using the respective system (Albert / Tullis / Tedesco 2010, p. 4; Koch 2012, p. 180).

According to Koch (2012, p. 180) and Theobald & Neundorfer (2010, p. 155ff), corporate communities are another form of reactive online observations. Companies and research institutions implement own communities. In these communities, selected target groups of the respective company or research institution can express their opinions, requests, ideas and criticisms. The existence reasoning of corporate communities is the desire of companies to have an early, uncomplicated and partly continuous involvement of the (potential) customers in the development processes of the company. Thereby, trend observations, field reports regarding the use of products as well as image analysis can be captured.

<table>
<thead>
<tr>
<th></th>
<th>Advantages</th>
<th>Disadvantages</th>
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<tbody>
<tr>
<td><strong>Synchronous online</strong></td>
<td>• Time spare potential for group members</td>
<td>• No control of situation of the survey (risk of drop-out)</td>
</tr>
<tr>
<td>focus groups</td>
<td>• No geographical limitation concerning research participants</td>
<td>• Lack of non-verbal communication increases the interpretation of the answers and the control</td>
</tr>
<tr>
<td></td>
<td>• Allows anonymity for the participants, sensible topic can be discussed</td>
<td>• An absorbed, reflected discussion is hardly possible</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Decreased group dynamic</td>
</tr>
<tr>
<td><strong>Asynchronous online</strong></td>
<td>• Flexibility of participation regarding time</td>
<td>• Decreased spontaneity</td>
</tr>
<tr>
<td>focus groups</td>
<td>• Possibility of reflected and more detailed answers</td>
<td>• Lack of non-verbal communication opportunities</td>
</tr>
<tr>
<td></td>
<td>• Openness because of anonymity</td>
<td>• Asynchronism can limit the motivation of discussion members</td>
</tr>
<tr>
<td></td>
<td>• Possibility of an increased interference and control of the discussion by the moderator</td>
<td>• Decreased group dynamic and interpersonal communication</td>
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<tr>
<td></td>
<td>• Overcoming of disadvantages in the case of people with poor typing skills</td>
<td></td>
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<tr>
<td></td>
<td>• No geographical limitation concerning research participants</td>
<td></td>
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<tr>
<td></td>
<td>• Allows anonymity for the participants, sensible topic can be discussed</td>
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Table 1: Advantages and disadvantages of online focus groups
Non-reactive online observations

In the case of non-reactive online observations, the observed people are not aware of the observation process. The researcher observes the incidents occurred on the internet without any intervention or direct participation (Theobald & Neundorfer 2010, p. 130).

One common type of non-reactive online observation methods is the logfile analysis. Given that most processes of internet usage are logged, researchers can revert to these data, which are called logfiles. Logfiles are normally automatically generated and logged by computers and can be differentiated into two types: server-logfiles, which are data gathered and stored by an internet server and client-logfiles, e.g. cookies, which are saved on the client side on the user’s computer. This type of non-reactive online observation has become an important element in the field of online market research, especially the analysis of server-based data. Well-known tracking tools like “Google Analytics” are a typical and easily available data source for this observation method. It allows a complete monitoring of whole decision-making and purchase processes happening on the internet, which leads to the optimization of websites, shops and social media efforts. (Welker 2009, p. 104f)

The analysis of documents is another method of non-reactive online observations, because the main part of online sources for market research topics is available in textual form (table 3). Social media offerings, such as discussion newsgroups, weblogs, chats and online communities provide interesting and informative data as documented opinions and experiences of the web users. Through this user generated content researchers can gather new insights of strengths and weaknesses of products, brands, advertisement activities and campaigns and identify needs and wishes of the customers.

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
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</thead>
<tbody>
<tr>
<td><strong>Online observations</strong></td>
<td><strong>Ethical problems in the use of personal data, e.g. in logfiles or by the usage of cookies</strong></td>
</tr>
<tr>
<td>- The researcher can participate directly in the researched event</td>
<td>- Conclusions to real behavior on the basis of the virtual behavior can be imprecise and error-prone</td>
</tr>
<tr>
<td>- Difficult plumbable behaviors or fields in using the internet can be analyzed and evaluated</td>
<td>- The real identity of the observed people can often not be secured</td>
</tr>
<tr>
<td>- Research contents are typically automatically logged</td>
<td></td>
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<tr>
<td>- Through virtual presence of the researcher, the participants are less influenced than through &quot;real&quot; presence</td>
<td></td>
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Table 2: Advantages and disadvantages of online observations
Source: Own representation based on Theobald & Neundorfer 2010, S. 123ff
Personal Weblogs, a medium that is comparable to an online diary are often published by opinion leaders and early adopters which makes their observation interesting for identifying trends and public opinions. Social communities, discussion boards and media-sharing platforms can deliver similar information and additionally bear the possibility to observe the typical customers on top of the early adopters. Due to the increased interest in social media marketing and the growing advertising and communication activities by a broad variety of companies, online observation also allows the analysis of the competitor’s efforts and the users’ reactions. They can provide beneficial information for companies, as well (Theobald & Neundorfer 2010, p. 136f, 139f).

The Value of Using Online Surveys and Online Observations in Brand Management

To establish and manage a well-functioning and successful branding strategy, detailed and often specific information about markets, competitors, potential target groups and current customers are needed. This information is typically being provided by theory-based, interdisciplinary, pragmatic and reliable market research (Nieschlag, Dichtl & Hörschgen, p. 277f). In general, online survey methods, such as e-mail surveys or focus groups, give insights about approaches, attitudes as well as experiences of the surveyed individuals. This method of the online research techniques is suitable for discovering sentiments, spontaneous reactions and impressions about the respective research topic. These are essential in-depth data with high informational value. Deepened discussions and detailed answers about specific aspects are possible, where superficial opinions are not sufficient to gain representative results in the respective market research study. Because of the fact that online surveys do not occur face-to-face, taboos and intractable topics could also possibly discussed. In this connection, the handling of complex and extensive research questions is feasible as well. The participants are able to give circumstantial reflections and to illustrate their opinions about various topics.

Also, focus groups as a special type of online survey, are well-suited for the exchange of perceptions regarding certain and even complex topics. In this case, with the help of the group dynamic, differentiated and detailed information can be gathered, which are hardly or not accessible with other market research methods. (Theobald & Neundorfer 2010, p. 216f, 76f, 116f).

<table>
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<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Efficiency through available data</td>
<td>• The interconnection to context of the observed information is often difficult to capture</td>
</tr>
<tr>
<td>• Openness through anonymity</td>
<td>• Only specific target groups can be observed through these methods</td>
</tr>
<tr>
<td>• The data sources are authentic and not created primarily for research</td>
<td>•Because of the general information overload, especially in the case of document analysis, a</td>
</tr>
<tr>
<td>aims</td>
<td>researcher should select the data</td>
</tr>
<tr>
<td>• Data and information are automatically logged</td>
<td>• Especially in the case of the logfile analysis, it is not possible to bring certain</td>
</tr>
<tr>
<td>• Non-reactive online observation sources provide insight information</td>
<td>circumstances and decisions of the observed people into question</td>
</tr>
<tr>
<td>about the author which is probably not available through interviews</td>
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</table>

Table 3: Advantages and disadvantages of non-reactive online observations
Source: Own representation based on Brummer 2002, p. 77; Theobald & Neundorfer 2010, p. 136f, 139f)
Online surveys are commonly suitable in the field of brand management for the analysis of customer loyalty, advertising effectiveness as well as for brand recognition. They provide adequate information for product and idea testing and product development. While being well-suited for the development of brand positioning strategies, because these research methods give detailed information about the current imaginations of brands located in the mind of the customers, online surveys are also appropriate for gaining data about motives, opinions and thoughts of the individuals concerning brand related topics, as well as the overall consumer behaviour e.g. during the purchase decision process (Theobald & Neundorfer 2010, pp. 16ff).

In comparison to the online surveys, online observations give comprehensive and often detailed insights and awareness about the lifestyle of internet users. That means that with the help of online observation target groups are available for an analysis which may not accept to participate in surveys. In the case of the observation of social media, there are chances to identify early adopters and first mover target groups who often have a high involvement in topics regarding the use of products as well as to trend- and brand related topics (Theobald & Neundorfer 2010, p. 121ff, 136ff). By analyzing discussions about brands, advertisement activities and current trends, innovations and the competition, online observations can gather helpful information for studies of strengths and weaknesses of products and brands (Theobald / Neundorfer 2010, p. 17f, 136ff).

The greatest advantage lies within the fact, that the test subjects typically are not aware of being observed which raises the chance of gaining unbiased and realistic results. In consequence, online observations can be used in an optimal way for the field of brand management and the identification of customer insights, both being areas which are probably not available easily through online surveys. On the downside the strength of the participants unawareness leads also to a major weakness: The possibilities on influencing and steering the observation in order to focus on specific points of interest are remarkably limited which makes online observations an ideal choice to assess market possibilities and characteristics of target groups.

Conclusion

Today it is essential for companies to build strong brands in order to stay competitive on the market. The management of brands has to rely on detailed and often specific information about markets, competitors and customers. The internet enables marketers to conduct research in a cost-efficient and faster way than ever before. However, the question if online surveys or online observations contribute more to the brand management cannot be generally answered. The business, the markets and the target groups of companies simply show an enormous diversity. So it is advisable to question each and every single use case and the reason why information has to be collected. As already explained, both method groups have their advantages and downsides. But both are, used by trained personnel and to achieve fitting brand management goals, a great addition to the market researcher’s arsenal.
Szilvia Biró

Szilvia Biró studies International Brand and Sales Management in the Master of Advanced Management programme at the Neu-Ulm University of Applied Sciences. Currently she finishes her studies writing her master thesis at a brand and marketing consultancy.

Szilvia.b.Biro@student.hs-neu-ulm.de

Florian Botzenhardt

Florian Botzenhardt holds a position as a scientific assistant at the centre for marketing & branding at the Neu-Ulm University of Applied Sciences. His main research interests are advertising and digital brand management.

florian.botzenhardt@hs-neu-ulm.de

Prof. Dr. Hans-Michael Ferdinand

Hans-Michael Ferdinand holds a position as professor for marketing and ethics and is the director of the centre for marketing & branding at the Neu-Ulm University of Applied Sciences. His main research areas are market research and brand management.

hans-michael.ferdinand@hs-neu-ulm.de

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