



# **EMPATHY IS KEY TO BUSINESS INNOVATION**

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Innovation is key to a business's ongoing success. But many are not certain about how to make innovation happen.

As an ethnographer I believe that innovation starts with empathy, which is critical for developing a deep connection to the customer.

Everybody knows what empathy is – walking in someone else's shoes, feeling what other's feel, to “get” where they are coming from.

So when it comes to business research, ethnography is the best way to understand consumers' feelings and behavior as a function of their cultural context.

Ethnography is a social research method that was first applied in

Anthropology. It stresses empirical experience in products or services in the natural settings of daily life. Ethnographers do not just conduct interviews. We observe and participate in people's lives, travelling further and deeper to uncover truths and insights that lay hidden from questionnaires or focus groups.

While studying consumption patterns among young, male adults in Hong

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Kong, and examining personal items people carry around with them, I noticed that about two thirds of the contents of their wallets are not necessary. It was stuff that was there 'just in case'; they wanted to pop in to a gym, just in case they could get a discount, or maybe just lend that membership card to others.

But we found that behind the 'just in case' items is an emotional attachment to objects occupying space in their wallets – cards that have their university logo on, that they feel nostalgic about. The gym card was there to remind them of a painstaking slimming process they have been neglecting. George Costanza of "Seinfeld" (with his giant over-crammed wallet) would have been an ideal outlier respondent for this study.

In another study, I found that many middle class Mainland Chinese housewives bought a lot of household cleaning agents 'just in case' they

needed them. They accumulate three or four different floor cleaners. There are old ones lying on the floor, sometimes for years, just in case! When we walked through the products' history, it was found that the accumulation of cleaners happened because they were not confident that the latest one would be the best.

Since the ushering in of their young consumer-driven society, the discourse on cleanliness keeps

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changing. Within the last two decades housekeeping is no longer simply about getting rid of messiness and filthiness; it is now to ensure the good health of the family by killing germs and bacteria, the new foes of safety and hygiene. Imagining yourself floating in a sea of brands in a giant Chinese supermarket.

Choosing the right cleaning product is tough, and further, the complexity of housework goes well beyond a

product's features and brand. It's also about showing care and love to the family and fulfilling the role of wife, mother, daughter and daughter-in-law.

By seeing beyond 'just in case', I can get a deeper understanding of the seemingly irrational actions and understand how consumers make sense of things in their cultural contexts. Insights from mundane practice, such as doing housework

and managing one's wallet, are best obtained by ethnography – it allows deep insights into the discrepancies between what people say and what they actually do. It allows the ethnographer to walk a mile in the respondent's shoes.

New business innovations and market ideas must probe into the depths of consumer understanding. Injecting empathy into business research can paint a more complete picture of



people in real life, and provide a deep consumer intuition that transcends explicit data.

Only once business has this depth of insight can it really know how to innovate. Business innovation normally happens in two ways – through game-changing product development, or through improvement with marginal gains.

Game-changing product development is the Holy Grail. Apple changed the world with touch screen phones and applications that people hadn't seen before. They had made a larger product when all phones were being made smaller, but consumer's fingers glided across with such awe that they created an experience the consumers were emotionally aligned to. It helped set the agenda for how consumers should interact with a phone, to such an extent that the leading incumbent, Nokia, immediately registered profit warnings. These innovations are few and far between, and Apple are still



feeding off the fact they found a new way to connect with consumers.

Samsung are masters of marginal improvements. They have created a set of phones that are similar to the iPhone, but a little bit better. They have better functionality, faster speeds, they syncs more easily with your business and home email, and even have an optional touch screen pen that can read your hand writing. The Samsung Galaxy is fast catching up with the iPhone in terms of sales, and continually gets better reviews from those that know best. Marginal gains can only be understood by watching people use products.

Mobile phones are a classic example of translating consumer empathy into a powerful consumer product. Innovation needs to place empathy at the heart of development, whether looking for game changing moments or the marginal gain that gets your nose in the front of the competition.

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## About Ipsos Ethnography:

The Ipsos Ethnography Excellence Centre, based in London and Hong Kong, regroups anthropologists and market researchers with over 25 years experience. Formed in 2008, this award winning centre possesses extensive credentials among professionals in the industry and academics. With its dedicated production facilities for high quality outputs, in-house editing facilities for client analysis, knowledge sharing and co-creation, and virtual outputs technically designed for ease of access globally, it is the best of its kind in the world.

## About Ipsos:

Ipsos is an independent market research company controlled and managed by research professionals. Founded in France in 1975, Ipsos has grown into a worldwide research group with a strong presence in all key markets. In October 2011 Ipsos completed the acquisition of Synovate. The combination forms the world's third largest market research company. With offices in 84 countries, Ipsos delivers insightful expertise across six research specializations: advertising, customer loyalty, marketing, media, public affairs research, and survey management. Cuptas re, cumqui commodia vollaccus nit venim ullaborunt quosandi omnitate quamenis es

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