



**HOW TO PREDICT FUTURE BEHAVIOR
& IMPACT REVENUE**

Great things come in threes.

There are three primary colors.

And three little pigs. Three blind mice. And three musketeers. The three French hens come before the four calling birds my true love gave to me.

And who can forget three Billy Goats Gruff?

You get the picture. Yes, three is a good number. And, in this guide, we share the three ways to step away from stated behavior.

Knock out the troll.

Remember the troll?

Three billy goats love grass. They spy a delicious meadow of green grass. Yum. They can't wait to cross a bridge to get sweet, fresh grass. But, they can't. Why, what's stopping them?

A big, ugly troll.

In market research, that troll is stated behavior.

It may seem helpful to rely on consumers' stated intentions. But, it's a trap. Like that troll. And here's why. Stated behavior asks you to rely on data with:

1. Fraud
2. Recall Bias

Let's look at these in-depth to see why stepping away from stated is the best decision to make.



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Why stated behavior sucks.

Reason #1: Fraud

In 2017, a research crisis was declared by GreenBook³. Widely circulated, the report called attention to rising doubts in online research. It found only **49% of research respondents were satisfied with their experiences.**

A year later, they went further, stating:

“Real consumers are often not inclined to take part in research... [and] due to lack of consumers’ interest, it’s difficult to generate reliable, sincere and in-depth answers.”

They’re talking about survey fraud.

Specifically, an epidemic of survey fraud brought about by automation. Bots who can easily mimic human survey responses in online surveys. They cleverly steal rewards for surveys, pocketing the rewards for their creators. The result? Stated behavior is often fraudulent.

Reason #2: Recall bias

In 2008, a neat little study took place in Germany. It identified the gap between stated and actual buying behavior¹. They looked at a consumer panel’s response to organic products.

Here’s what they found:

60%

of participants who said they bought organics once a month didn’t buy AT ALL.

15%

of all households that stated they bought organics once a month really did.

19%

stated they bought organics once a month, but **only 11% actually did.**

Tab. 1 Comparison of stated and actual buying frequency (% of households)

Actual buying frequency	Self estimated buying frequency of households "How often do you buy organic products?"				Actual overall
	Once a month	Several times a month	Once a week	Several times a week	
None	60	50	41	23	46
Once a month	15	12	9	4	11
Several times a month	15	19	19	12	17
Once a week	5	6	10	9	7
Several times a week	5	13	22	52	18
Total	100	100	100	100	100
Stated overall	19	42	28	11	100

What does the data mean?

Consumers can't remember everything. So, if we ask them to state their behavior, they're likely wrong². And by default, we're wrong too.

Opinions go stale. Like bread.

You need data at the Point of Emotion® when consumers can recall exactly what happened, and how they felt.

Let's take an example. Do you remember what you ate for dinner last week? Probably not. Consumers don't either. Stated behavior has recall bias.

At best, the data is stale. At worst, it's invalid.



Three ways to step away from stated.



Step 1: Look at their locations

Stepping away from stated opens a whole new view.

You're rooting surveys in facts. Rather than relying on what's given to you alone, you can start to see behaviors tied to where consumers shop. Here's why that's important:

"The insights gained by knowing what a customer is going to do with accuracy is exponentially more valuable than knowing what they previously did."⁴

- Dave Cherry, Executive Strategy Advisor with Cherry Advisory, LLC

We agree with Dave.

The simplest path to this level of accuracy is to use a mobile research provider. One who has GPS access to their consumer panel. Why? With express access to a consumers' GPS, you can see exactly where they shop, and track all kinds of behaviors.

Targeting location behaviors is an excellent start to stepping away from stated.

Step 2: Follow their digital footprint

We all have a digital footprint.

And, like a real footprint, you can learn a lot just by looking at it. See how consumers shop online, the apps they prefer – and so much more. With mobile research, you're not limited to tracking location visits. You can see everything that consumer panel does online too.

Are they on Amazon? Or, did they buy in-store, right after checking to see if they could get a better deal online? There is so much to uncover with digital behaviors. They tell you exactly what you need to know to impact your omnichannel approach.

Step into digital data by partnering with a mobile research provider. They can access first-party consumers who are happy to share their shopping habits, because they're paid to do just that. Following digital footprints is the second way to step away from stated.

Step 3: Observe their cell phones

Your cell phone knows everything about you.

It knows the apps you've installed. Your phone carrier. All about your operating system. And the device make and model you have.

Whew. That's a pool of data sitting right inside your phone. Can you imagine wading right into that data? That's what you're doing with observed behavior.

Observation shines a spotlight on the impurities of stated opinions. And the easiest way to observe behavior is to uncover characteristics that are right in front of you.

Answer "the why" behind what you see in a survey. It's the intersection of data + surveys. Together in one place. And you can use that data to dramatically improve your customer experience and strengthen relationships with your brand.



See consumer behavior in action. Combine their data with survey research to match surveys directly to behaviors. This is how mobile research gives you a complete picture.

Impact the bottom line with better data.

Behavior-driven research is a game-changer for your business.

Here's why.

Consumers will pay for a good experience. You can expect **86% of consumers to pay a higher price tag** when you have a great customer experience⁶.



LEARN FROM



ADAPT TO



RESPOND

The key to success is to learn from, adapt to, and then respond to consumer behavior.

Consumers want to, and expect to be, understood. When you prove you have that ability, you can dramatically impact revenue.

Find out exactly what they want with behavior-driven research. Then go make changes. Tailor their experience and make it unique to what you do best. Then, sit back, and rack up the cash.

On average, companies see an increase of \$775 million in revenue over a three-year period⁶... There's that magic number three again...



Bonus advice: Three tips to success.

Here's a final note.

Time is precious. So, when you're ready to research, here are the three tips we recommend:

+ Tip 1: Sample matters

Choose a consumer panel that is validated. Remember the bots in online panels? They're out there. Pick a research provider who can prove to you that they use a first-party, validated consumer panel.

Vendors should hit your feasibility requirements with a verified group of consumers. These consumers should know that you're planning to observe them. Extra points if you choose a market research provider who pays their consumer panel in cash. Even more if they can answer long surveys. We're talking 20+ minutes on a mobile phone.

Then you know consumers are motivated, and paid fairly, to give you access to their behavior.

+ Tip 2: Substance counts

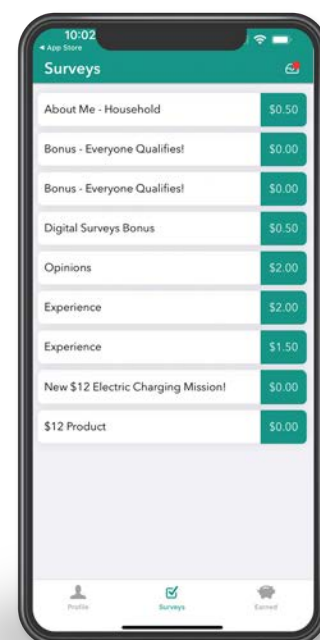
The devil's in the details. Make sure to capture in-the-moment behavior from your panel. This is extremely important. If you rely on latent data, you're more likely to come back with inaccurate information. And that will directly impact your ability to hit your revenue goals.

+ Tip 3: Speed is possible

Don't get fooled. The right firm can turn around research in as little as 24 hours. Yes, the data takes time to collect, but if your provider really has an awesome consumer panel, it should be no problem to move quickly. Make them work on your behalf.

And don't let them tell you it'll take a long time.

Your best interest is to field quickly, while the behaviors you want to study are top of mind. Brownie points awarded here if they let you see across 10 million buyer's journeys in 12.5 million U.S. locations.





We understand you, and we can help

Got a project in mind?
We know behavior-driven research. And we can help.

TALK TO SALES

or email us at: solutions@mfour.com

References:

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