The future of mall research: Current trends affecting the future of marketing...
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PRACTICE PAPER

The future of mall research: Current trends affecting the future of marketing research in malls

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Abstract

The Marketing Research Association (MRA) Annual Conference in Boston, MA (5–7 June, 2004), held a panel discussion as part of the workshop portion of the conference regarding quantitative research. The panel was made up of: Janet Baldi, Vice President of Data Collection & Data Quality for Rothstein-Tauber/Directions for Decisions (RTI-DFD); Jackie Weise, Executive Vice President and Principal for Market Trends, Inc.; Kim Fitzgerald, Manager–Market Research for Hasbro Inc.; and Tammie Frost-Norton. The moderator of the panel was Wendy Dodek, Moderator for Insight Research & Training. The purpose of the panel discussion was to look at current practices of conducting consumer research in malls, the changes occurring due to decisions by buyers of mall research, the health of mall research and the possibilities for the future of mall research. Current trends show less consumer research being conducted via mall intercept, and more being conducted online and with database pre-recruited interviewing. The future health of mall research may depend on mall facility owners' reactions to existing problems, and their ability to capitalise on the weaknesses of internet data collection. Stability of mall data collection facilities may come from selecting the best possible mall for strong consumer research, and that may be more important in the future than it has ever been. Discussions from the panellists indicate that mall data collection also would need to return to the basics to ensure timeliness and quality. Mall facility owners need to market the unique strengths of each mall's respondent base. Although the discussion here centres on developments in US mall research, the majority of the findings will be relevant to practitioners of shopping-centre or high-street-based interviewing in the UK and other countries. Copyright © 2005 John Wiley & Sons, Ltd.

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Mall data collection, future trends, marketing research, consumer research, high-street interviewing, shopping-centre research

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INTRODUCTION

As background information, it may be helpful to have a brief introduction to shopping mall intercepts as a methodology used in the USA. Data collection in the USA started out as a process of going door to door and asking for the 'lady of the house'. Soon telephone interviewing was added to the data collection methodology mix. In the 1970s, as shopping mall complexes were built in suburbs, it became clear that this was a rich environment in which to talk to the primary shopper of the household, without the time spent going door to door. Data collection in shopping malls

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became a primary way to reach 'consumer packaged goods' (CPG) purchase decision makers. (CPG includes any packaged goods for consumers, from cake mix to hairspray, from insect repellent to air fresheners.)

Mall data collection companies lease space, and obtain permission to have interviewers in the main hallways, stopping shoppers to ask them a few questions regarding consumer products. Interviewers on the mall floor then ask five or six screening questions to ensure the shopper is a primary purchaser of household products, screen out those who work in the specific product industry, and discover if their usage patterns are sufficient to be a source of information for the particular product of the study. Then they invite the shopper back to their facility space in the mall to conduct the actual interview.

Firms manufacturing consumer products (end users or clients) contract full-service research companies (or suppliers) to design and implement research studies, as recommended by the manufacturing or 'end-user' research division. The supplier company designs the study to meet the objectives of their client, then selects the best method of data collection actually to collect opinions from consumers. The supplier then contracts several data collection companies—for this discussion just mall facilities have been included—to conduct the actual interview in shopping malls across the nation.

Mall data collection began as a popular method of reaching consumer product purchase decision makers because it was faster and cheaper than other data collection methods. Mall facilities proliferated in all major markets, especially in the 1980s. In the 1990s, mall owners faced difficult times as mall rent prices increased and some consumers objected to being intercepted while shopping. Companies began consolidating to create a different approach to managing the costs of mall facilities. It became increasingly harder for individual mall facilities to be profitable. Finally, the internet arrived as a data collection method. The increasing popularity of online data collection has left many wondering about the future of mall-intercept data collection.

There is no question that mall research has decreased in use as a data collection methodology. Every panel member noted that increasingly more data collection has gone to the internet each year. The primary driver has more to do with meeting client demands of 'faster/cheaper' than with any problem issues regarding data collection via mall intercept. While all panellists agreed that even more data collection could be conducted via the internet in the future, nearly all panellists agreed that mall intercepts are still necessary. There is a specific need for face-to-face research that will remain, even in the age of online surveys with amazing graphic abilities. The panellists believed that there are ways in which mall facility owners can improve their offerings to increase data collection done via mall intercept. There are also ways in which mall facility owners can capitalise on online shortcomings, and build on the strengths of the uniqueness of the mall-intercept method. While mall facility owners need to keep an eye on future impacts on mall intercepts, they also need to turn an eye to their current practices.

It is not enough that a mall facility provides interviewers to screen respondents at the mall and follow skip patterns on a questionnaire. Mall facility owners need to market their uniqueness in the data collection methodology mix. They need to survey their traffic to find out what they can offer that cannot be offered elsewhere in terms of respondent types. They need to be flexible and adapt to the times, and they need to ensure quality basics are met. The single loudest cry from the panellists involved recruiting good interviewers and investing in them so that consistent quality can be guaranteed. Essentially, this panel allowed the buyers of data

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collection to point out to mall facility owners what current practices are affecting their volume of mall-intercept research purchased, as well as what could be changed in the future. Finally, this paper relates how buyers (full-service research companies and end-user researchers) shared what they are seeing and hearing from their clients regarding mall intercepts as a data collection method for the future.

CURRENT PRACTICES

The panel began with a discussion of problems that full-service researchers have with convincing clients to pay extra for mall-intercept research. The panel got caught in a sampling argument/ discussion regarding whether clients hold the mall data collection to different and tougher standards than online data collection. The contention was that the higher sampling standards expected of mall-intercept research makes it more expensive to use, and therefore gives preference to cheaper online sampling. Many felt that sampling is biased when research is conducted online; except for research on computers or internet usage itself, the rest of the consumer world is not fully represented online, but end-user clients do not seem to mind. Years ago, when mall intercepts first started as a data collection method, it was for many of the same reasons that online data collection has been quickly welcomed. For consumer research, mall intercepts were a faster and cheaper way of reaching the primary shopper of the household than telephone interviewing or door-to-door data collection. There are questions regarding the biased sample of data gathered through mall intercepts. There may be differences between the consumers who are willing to be stopped by a person with a clipboard and the consumers who cross the aisle with averted eyes. While harsher quotas are required of mall interviewing to ensure representation, online sampling is based on opt-in panels (respondents who have agreed to participate and belong to a panel) that only need to meet the usage requirements. There do seem to be inequities that put a strain on the full-service companies' ability to suggest mall intercepts as a methodology, however, the panel wanted to continue on with a discussion surrounding issues that mall owners can *control* and *change*, as they work to retain mall data collection as a viable, unique data collection methodology.

The panel then refocused on the issue of current practices regarding mall intercepts, regardless of sampling arguments. Essentially, a substantial number of data collection firms are in the business of mall data collection, and the nature of their business is changing. While some areas of research are growing, the trend for consumer research is that the CPG industry is flat. As CPG companies are feeling the pressure to maintain or improve margins and market share, the mantra has become: 'What research can you do for me faster and cheaper?'. Full-service suppliers and end-user research divisions are struggling to provide what is needed by looking to technology to bridge the gap. Hence, online research has gained an increasing share of the traditional concept testing, new product introduction or expansion testing and even home-use tests.

The common denominator of current practices, however, was that no one on the panel had stopped doing mall data collection entirely. Mall research is still needed for face-to-face research projects that cannot be conducted online. While some companies have chosen to use pre-recruited respondents, that method of data collection is considerably more expensive than a mall intercept, both in terms of the recruiting as well as the high incentive that needs to be paid. Mall intercepts are still a very economical way in which to collect data when a face-to-face encounter is needed; however, panellists had strong feelings about *why* mall data collection was not used more. Specifically cited issues of

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what keeps full-service suppliers from choosing mall intercepts included: survey length, turnaround time, client service, extra charges for on-site briefing/monitoring and interviewer quality.

Survey length

Survey length is an issue, as increasingly more research supplier houses are acquiescing to client demands that result in interview lengths of 45 to 60 minutes. Some research suppliers continue to ask mall facilities to recruit shoppers, who are just passing by, to stop for a 45-minute or longer survey. So length of interview is held as a 'frustration' reason for why mall intercepts do not work. While this issue is primarily out of the mall vendor's hands, they could consider ways in which to partner with suppliers to work together on issues of keeping respondents interested. There is room for the mall facility operator to make a difference—to talk about realistic incentives and suggest when pre-recruiting to the mall facility may be a more appropriate choice. The other issues cited above are issues clearly *within* the control of mall data collection companies.

Turnaround time

Turnaround time was noted as a major factor of frustration and therefore a reason for booking less mall-intercept business. When competing with online research, missing a shipping deadline even with overnight delivery is enough to scuttle the deadlines promised by the full-service house to its client. While in the past it was annoying, now it can lead to serious deadline issues. Interviewing deadlines are often forced into extension by malls over-booked on projects. Mall data collection vendors need to notice that the deadlines are no longer 'soft' and days cannot be added for data entry or coding. Deadlines are hard, using overnight data entry and coding software packages. While CAPI (computer-assisted personal interviews) web surveys can help with the 'delivery' deadlines, there is still face-to-face work that, by its nature, needs to be conducted on paper. The reality is, some malls can meet interviewing deadlines as originally booked, while others cannot. One bad experience can lead the field manager to avoid using the facility again in the future, or to choose a field facility that only pre-recruits from a database instead of a mall intercept.

Client service

Client service issues seem like a straightforward need: have someone available who can speak as to the status of the study during the intercept, and who is capable of troubleshooting changes or problems that occur during data collection. Given the hectic pace of mall facilities, however, they have been forced to take on larger numbers of jobs with smaller numbers of interviews (to try to compete with the fast turnaround of online data collection), and seem to be finding it hard to provide strong client service. A mall facility that offers a strong client service contact and promptly returns telephone calls/e-mails is often used repeatedly, with the full-service (supplier) field manager asking to use certain markets over and over again.

Visit the mall facility

Across the panel, there was discontent with the practice of charging the full-service research firm for conducting its own briefing, requesting monitoring time for the first day's work, or requesting time for an auditor to visit the mall facility. All panellists understood the need to charge clients when they visit, as often all other jobs must cease production during a client visit. Field directors, however, felt that they were well aware of fielding multiple jobs, and aware of the confidentiality required, and would be quite happy with staying in a small room to conduct a briefing or viewing several hours of interviews on

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the first day. The tension heightened as panellists pointed out the need for such quality control measures since quality at mall facilities varies immensely from site to site, even those with the same corporate owner. The feeling was that mall facilities should work hand-in-hand with field directors to ensure the quality of what is produced at the mall.

Interviewer quality

The final issue regarding interviewer quality had the most to do with the changes in current practices of using mall facilities for data collection. Several panellists felt constrained when using mall facilities due to a perceived lack of quality by their own internal clients. One panellist was quoted as saying they 'had internal clients who would rather pay more via pre-recruited respondents, and be assured of getting the quality control needed as well as meeting the timeline'. Specifically, the quality of the interviewing staff was doubted. The position of the interviewer at the mall is difficult—including large doses of rejection to even start screening—therefore the turnover of interviewing staff was a concern. To the field manager or end-user researcher, it can feel like minimal training occurs at the interviewer level. The perception comes from the reality of finding poor open-end probing/clarifying, incorrect skip patterns followed by the interviewer, and sometimes even unqualified respondents submitted as completes. There is considerable concern that the consolidation of mall facilities to large national firms increases the training issues. Panellists voiced concern that the pressure from a national HQ on individual mall facility profitability can impact negatively training dollar availability. There was a very real feeling that any mall facility is only as good as the current manager, regardless of the national firm that owns it. These concerns led to panellist and audience interaction on 'getting back to the basics' of quality training.

These issues are the reasons why full-service research firms are changing their buying patterns in mall-intercept data collection. The paper will return to these issues further on, when the panel discussed the future of mall research.

THE HEALTH OF MALL RESEARCH

The health of mall research overall is the question that probably drew many participants to the panel discussion. It is very obvious that the landscape has changed. Many of the small data collection firms have closed or been sold to larger national data collection firms. There are considerably differing opinions on whether this helps the health of the data collection methodology or not. But, on an even larger scale, there are trends that are affecting mall shopping patterns themselves.

A book entitled 'Call of the Mall' by Paco Underhill was reviewed by Seth M. Siegel in the *Wall Street Journal* and was picked up by *Reveries Magazine's* online 'Cool News of the Day' from 30th January, 2004. Underhill's book (*Reveries Magazine*, 2004) states that 'consumers are finding new, more efficient ways to shop, and not least, avoid traffic jams, packs of teenagers, and crummy food courts'. He also points out the disregard for aesthetics that mall developers show: 'displaying . . . one-size-fits-all window and floor fixtures instead of the visually complex forms once found in urban locales'. Underhill's conclusion (*Reveries Magazine*, 2004) is that 'the mall as an American institution is probably too oversized and dinosaur-like to adapt to the social changes to come. No-one could have planned for Wal-Mart or the internet or the rise of working women, whose shopping habits are very different from their counterparts' a generation ago.'

The panel also quickly pointed out that there are some changes being made to the shopping mall development. The current trend is to entice shoppers with a complete entertainment complex. Mall of America in Bloomington, MN, is the

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perfect example. The entertainment in the form of the *Camp Snoopy* amusement park (with over 30 rides), *Underwater Adventure* (with shark-encounter aquarium), *Lego* imagination center (four storeys and Lego to play with), *Nascar* simulated racing, a 14-complex movie theatre, over 50 dining choices ranging from fast food and theme restaurants (Bubba Gump Shrimp Company and the Rainforest Café complete with inside thunderstorms), to fine dining and a floor of nightclubs and bars, is combined with the three storeys and miles of over 520 stores, shops and boutiques. Well-placed research facilities in a shopping entertainment complex such as this change the future potential of mall research.

In the opinion of the panellists, mall facility owners need to adapt to the times. Using mobile data collection tools may enhance their ability to reach more shoppers. Catching the interest of a shopper with electronic pads or kiosks could be enough to entice them back to the facility for a longer interview or exercise. Offering panel opportunities with accumulated mall discounts would be no different from what online methodologies are offering. Security would still have to be maintained according to the amount of participation in a category, but it might be a way to expand the reach of mall intercepts beyond those who will stop on a specific day.

Even more modest suggestions, like involvement in the industry, are ways of affecting the future health of mall research. Mall facilities must deal with the trends of lower cooperation rates. Mall facility owners should be involved with the industry to continue to look at proper incentives and realistic interview lengths, and work as partners with the full-service suppliers to effect change. The challenge is to increase mall data collection companies' relevance to the research community.

Just as full-service companies and end-user research divisions are being told of trends to add value strategically and answer the business needs of their clients (not just provide data tables), so mall facility managers need to think 'value added'. If malls perceive themselves as just screening for respondents and conducting interviews, they are missing the real picture—the larger picture. Becoming familiar with the pressures that full-service research houses and end-user research departments are facing is one way to manage into the future. For example, respondents are being targeted even more specifically, not only by demographics, but by previously conducted segmentation research. Mall vendors need to know the demographics of their mall traffic intimately. If a study has quotas that are from segmentation research (screening via attribute questions to find the 'Young Reckless' or the 'Early Adapters'), then it should be ensured that a mall has respondent traffic that approach those needs. Malls in other markets that might suit those screening criteria better should be suggested. Consideration should be given to understanding what the broad consumer segments are via conducting a study to see what kind of traffic the mall provides for these segments. Mall traffic capabilities in terms of demographics and segments should be marketed actively.

On a very positive note, as one panellist pointed out, there are trends that support the health of mall-intercept business. Increasingly more international companies based abroad are consolidating their research efforts across all continents. Since research is still primarily door to door in many countries, these data collection buyers are looking for a methodology that is as parallel as possible, and are accepting mall intercepts as the best matching methodology. Even US-based companies that are acquiring interests abroad have started to manage their research internationally, again matching methodology as closely as possible to the

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door-to-door method. This situation is cause for mall-intercept businesses to reach out to understand the international data collection buyer and to ensure they are meeting the needs of this growing client segment.

THE FUTURE OF MALL RESEARCH

As panellist Jackie Weise put it 'would you like to know what you could do to win back work in the malls, to enhance your position?'. Across all the comments of the panellists, listed below are the consolidated answers, matching the points brought out in the above 'Current Practices' section.

- Care about my business and me; build a partnering relationship that works both ways; keep me in the loop with no surprises—we can work out anything as long as we are informed.
- Audit, monitor and validate the work in your facilities; watch for repeat respondents on the same study or category; allow us to brief or monitor without excessive charges.
- Invest in your interviewers; train them on the importance of survey research; train them on the basics of probing and clarifying, and basic rules such as questions read verbatim.
- Provide a client contact who can be reached, who responds promptly and is informed about my study; be sure your supervisory staff know exactly what they are editing in a study.
- Meet your deadlines; keep communication lines open for troubleshooting problems; provide status reports promptly.
- Keep current with technology and use high-speed access for CAPI interviews; investigate other technology for its speed and 'fun' appeal.

Advice from the panellists on future practices included marketing the unique strengths of mall-intercept data collection.

- Seek out information from international buyers to understand what they need in face-to-face interviewing.
- Do your own research to understand better the mall-traffic profiles in every mall. There may be a unique factor relating to new mothers or profiles from some speciality stores that could provide an angle for the targeted respondents of a full-service or end-user research study.
- Consider marketing your demographic and broad segment traffic patterns in your mall—partner with the research supplier and end-user researcher to ensure a match with their studies' respondent needs.

Informal surveys of respondents after survey participation have shown that the satisfaction with taking part in a study scores higher on face-to-face interviews. Respondents enjoy interaction and involvement in face-to-face research. Mall owners should capitalise on this and market to research company account executives and end users to remind them of these critical factors beyond price and speed. Mall owners could sponsor a study to see if research responses are more valid and thought-involved when respondents interact face to face. Even a lengthy face-to-face survey can be fun when a variety of activities are included.

One panellist provided advice culled from successful and trusted mall vendors. The advice centred on selecting the right market and mall, well-paid senior staff and even a radical approach to project management.

Choosing the right market for mall-intercept business has become critical. The recommendation provided was to stick with larger cities. There is not enough business to represent smaller markets; however, some mall owners can

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extol the virtues of small market advantages like full ranges of the education and income spectrum of their respondent base, as well as fresher opinions from less-frequently-used markets. Succinctly, the advice was to be careful not to over-expand. Those days of expansion in the 1980s are over. Markets must be chosen carefully for research needs.

The same advice applies to mall selection. Not all malls are created equally. It is not even enough just to look for high-traffic malls (although this is a primary criteria), but rather uniqueness of the market or mall-traffic demographics. One could even look for malls in areas where there is less online penetration, simply to market that mall for studies designed as all-web interviews but needing to achieve consumer balance by interviewing the unwired population as well. Malls including a rich ethnic population also can retain stability and offer growth well into the future. Many companies are targeting ethnic markets as areas where sales penetration is soft and sales have potential. Choosing an ethnic-rich mall and marketing all its ethnic recruiting strengths would be beneficial, especially since some ethnic segments only respond to face-to-face research, or only have small portions of their population online. In looking to the future, it would be beneficial to keep an eye out for multi-use entertainment complex malls to ensure strong traffic and a respondent base to combat the unknown future of online shoppers and Wal-Mart devotees.

The recommendation for having a well-paid senior staff strikes a chord with what buyers of data collection are requesting. One owner simply paid her managers more than the competition, to keep them loyal. Another mall owner structured the manager's and high-level supervisors' pay to include a portion of profits, including the specific goal of earning 10 per cent on new client studies, thereby inducing repeat business. It was noted that this tie-in made mall managers more responsible for adjusting the cost per interview as needed, both at bidding and especially when reacting to changes during the course of the study. Some tied-in a percentage of profit only for a certain score on customer satisfaction surveys. All these ideas provide flexibility, and a way to tie excellent performance to bonus goals, thus enhancing the salary of the manager. There is a responsibility to invest in interviewer training and to find innovative ways of retaining interviewers when pay is tied to customer satisfaction scores.

Finally, some mall owners were trying innovative ways to ensure meeting deadlines and quality needs. One example was a firm with a highly trained, tightly knit staff, who all worked on *one* study at a time to ensure completion in a few days. It required high-touch scheduling with lots of flexibility when studies moved dates, but this vendor never missed a deadline for this panellist. In fact, he often was able to pick up extra quotas as the study neared the end, and other vendors were not on schedule to finish. This was his way of fighting the trend to take on 30 studies simultaneously of $N = 10$ each, as full-service field managers attempt to compete with online, fast-turnaround timing demands. This vendor succeeded in earning more dollars than contracted, while meeting deadlines and quality needs.

CONCLUSION

The panellists closed with the challenge to mall facility owners/managers to consider really facing the current issues of mall intercept inconsistencies and to embrace the concept of partnership. They reminded owner/managers to market themselves differently than ever before, building on unique qualities and strengths not offered by other data collection methodologies. They also ended with a promised desire to use mall intercepts. They would like to see mall data collection continue, flexibly, and

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adapting to future trends to ensure the continuation of a data collection method that respondents seem to prefer.

NOTES

The workshop audience consisted of 58 per cent data collection companies, 3 per cent independent field managers, 27 per cent full-service research companies, 3 per cent research design and analysis companies, 6 per cent focus group companies/moderators and 3 per cent other. The workshop evaluation satisfaction scores included 4.19/5 for practical application and 4.2/5 for speaker knowledge. The audience's number of years involved in research mean score was 16.5. The job titles of attendees were 53 per cent owner/senior management, 22 per cent middle management, 6 per cent sales/marketing, 3 per cent project coordinator and 16 per cent other.

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