

Proof That Sample Quality Is The Difference Between Right and Wrong Corporate Strategy



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Comparison 1

How Bad Data Supported Channel
Distribution Strategies That Focused on
the Wrong Suppliers, Which
Would Have Cost Millions in Lost Sales



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Here, we see that the data that was not thoroughly cleansed makes it appear that shoppers are purchasing those specific products online almost 50% more than they actually are.

This could have been very easy to miss, because these figures do still seem believable due to eCommerce's rising prevalence in the building materials industry.

But, under these false pretenses, strategic distribution partnerships, *built over decades*, could have suffered far-reaching consequences *overnight*. Limited corporate resources would have been reinvested into eCommerce initiatives rather than channel partners and in-store displays and product placement efforts, costing millions in lost sales opportunities.

This is why it is critical that advanced data cleansing measures, like what our analysts deploy, are prioritized.

WAYS PURCHASED BUILDING MATERIALS IN THE PAST 30 DAYS

Farnsworth Quality Standard (n=253)



Traditional Quality Standards (n=505)



Millions of \$\$\$ in Sales Opportunities Preserved



Comparison 2

How This Enterprise's Product, Channel, and Marketing Teams Would Have Been Entirely Misled, Causing Them to Make

Wrong Decisions About What to Manufacture, Where to Sell, How to Market

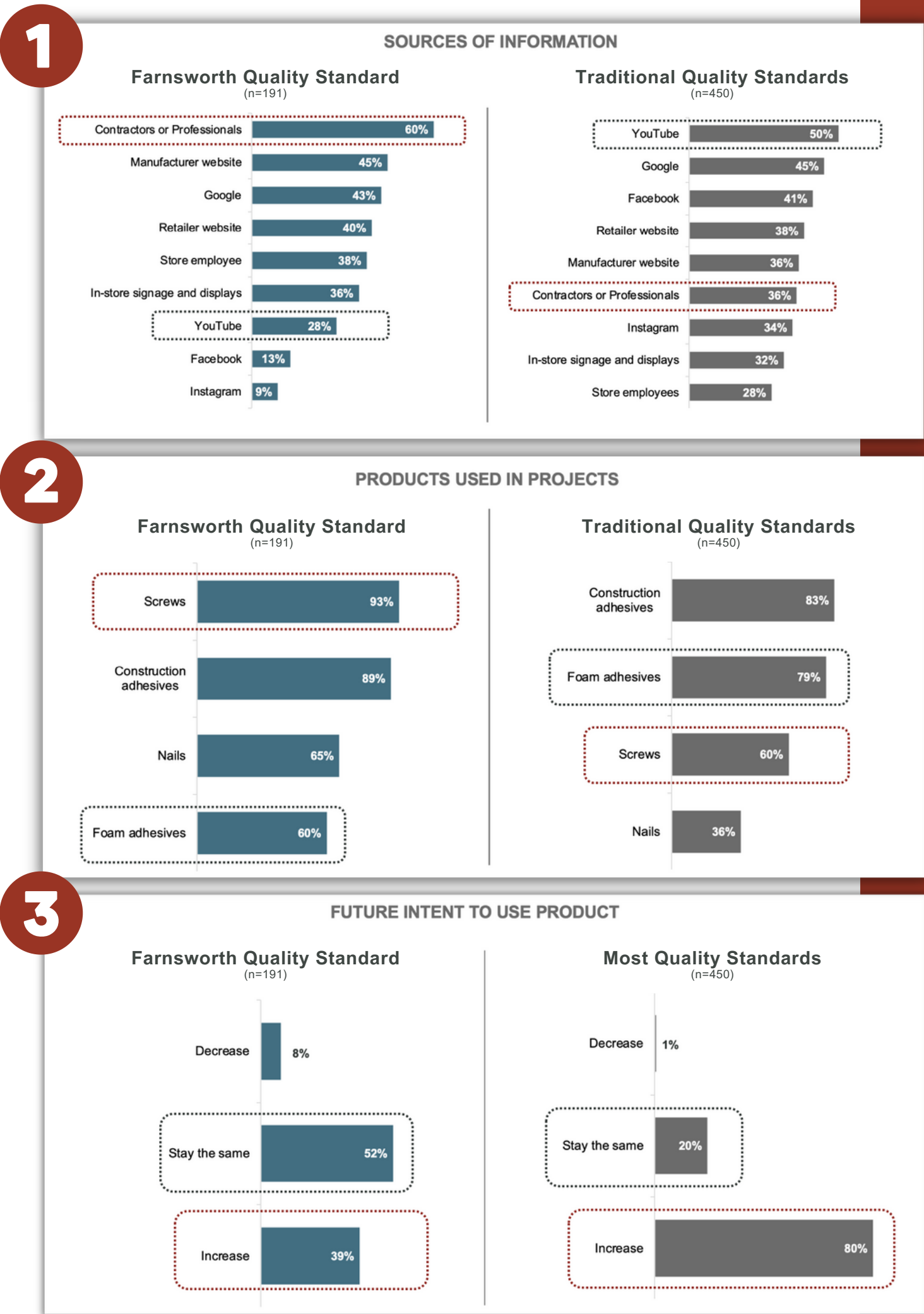
Preventing Wrong Decisions

Throughout this entire example, the assertions suggested by data cleaned with only basic techniques certainly would have tickled the ears of the client more, but would not have been accurate. The truth is revealed after the advanced cleansing techniques are applied, situating the client to make the right decisions in order to compete well in the marketplace.

In figure 1, analysis from basic data cleansing suggest that marketing campaigns should be directed to social media platforms like YouTube, Facebook, and Instagram when in fact those are not as widely used for this type of product.

In figure 2, analysis from basic data cleansing suggest that Pros are using foam adhesives more than screws, when in reality screws are used nearly universally among Pros and it is not true that foam adhesives are used more than screws in projects.

In figure 3, only basically cleaned data would indicate that Pros are going to start using the specific product being studied significantly more in the next year, while the advanced clean data shows they are more likely to keep sales about the same or increase just a small amount.



Comparison 3

How This Brand Would Have
Believed a Lie About Their Market Share
and Brand Awareness If Not For Advanced
Data Cleansing Techniques Deployed



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Lies Dispelled

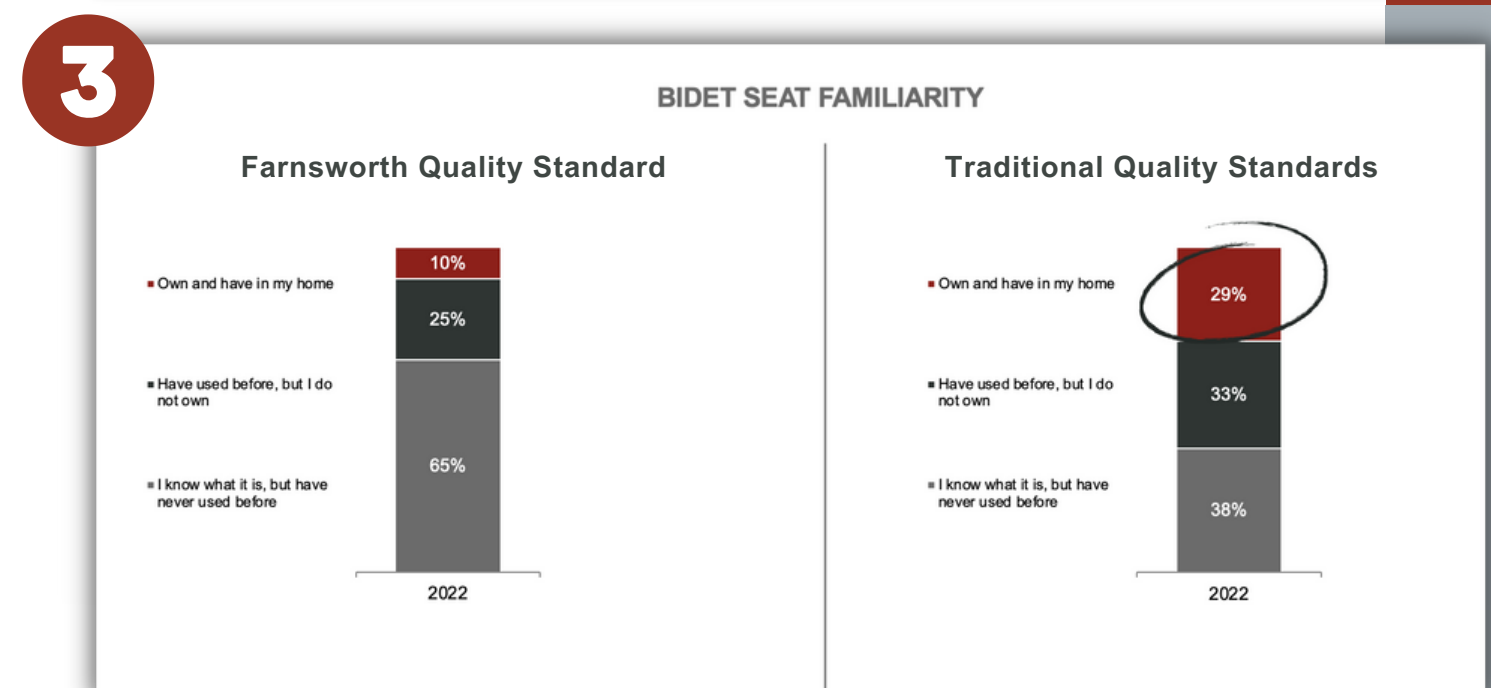
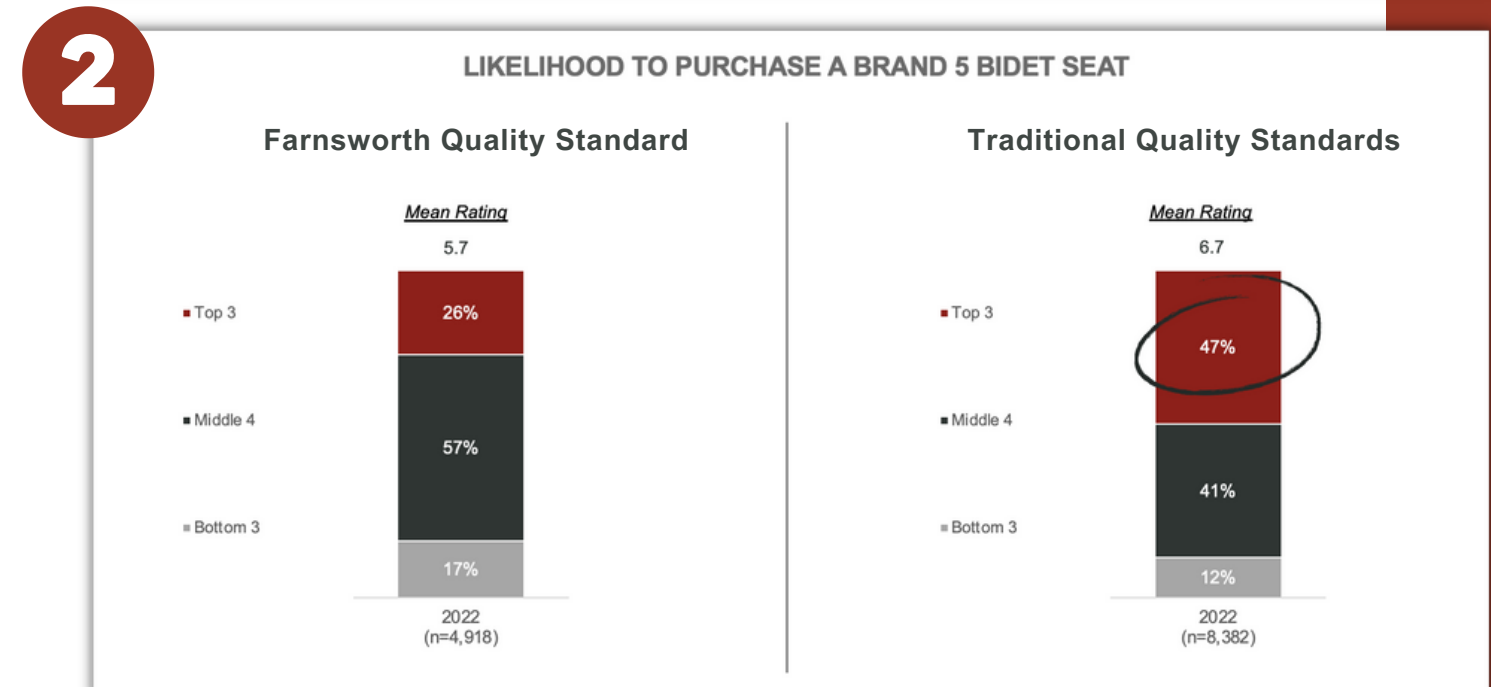
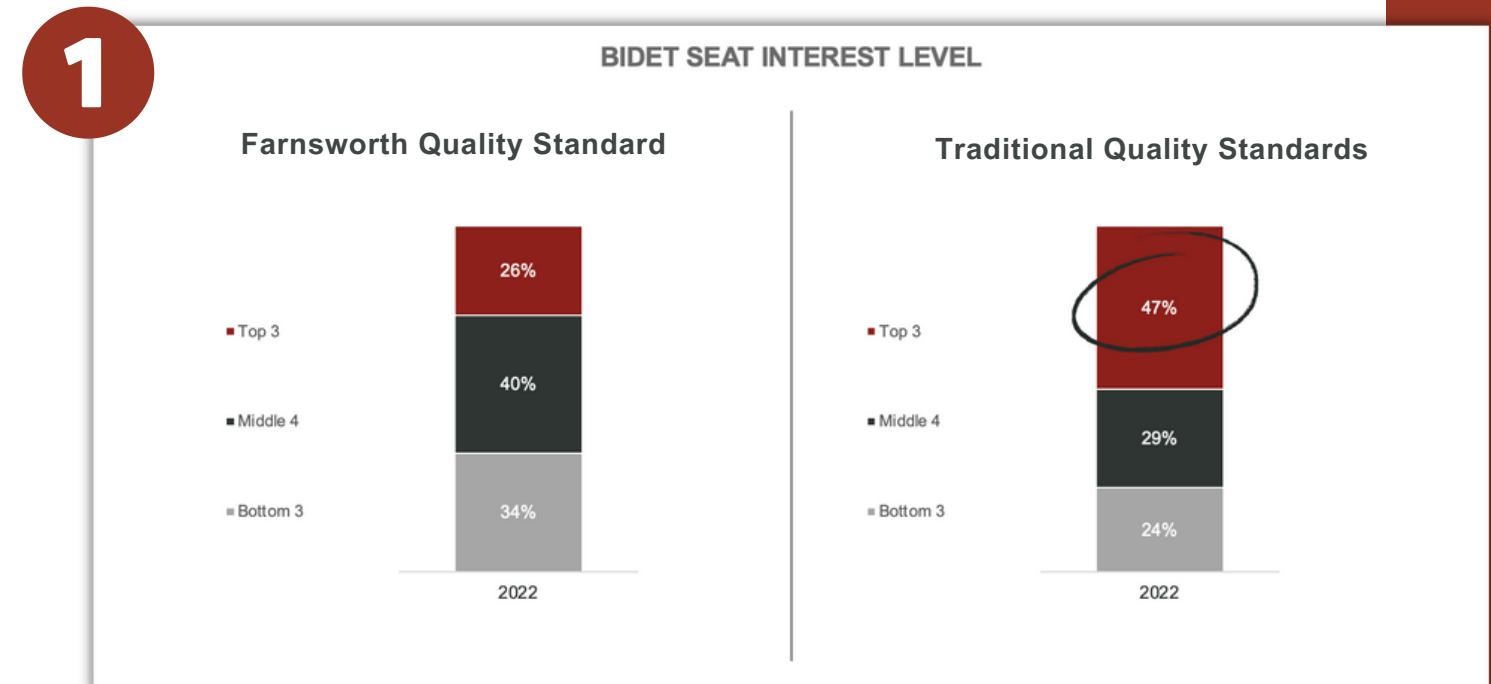
Especially when fielding a study among homeowners with a high incidence rate, the second, intense round of data cleansing is critical to ensure each respondent is genuinely representative of the target population. Case in point:

In figure 1, analysis from basic data cleaning claims double the number of people that are truly interested in a bidet seat. With advanced data cleansing techniques applied to the data set, product interest exists among just 1 in 4, not 1 in 2.

In figure 2, a similar disconnect in the narrative emerges between data cleaned using only basic methods compared to data cleaned using additional, advanced methods. Purchase likelihood of the specific brand is merely half as much in reality.

In figure 3, a similar discrepancy emerges. 3 times as many respondents would have been accounted for having a bidet seat in their home as there actually are. When that means the figure is only 1 in 10 rather than 1 in 3 homeowners, the implications to genuine market size and, thus, understanding their market share are significant.

Without accurate market size and market share information, this client would have been left with a sense that customers are informed about these products and many are interested when in fact there's much about this product category left unknown to the typical homeowner.



4

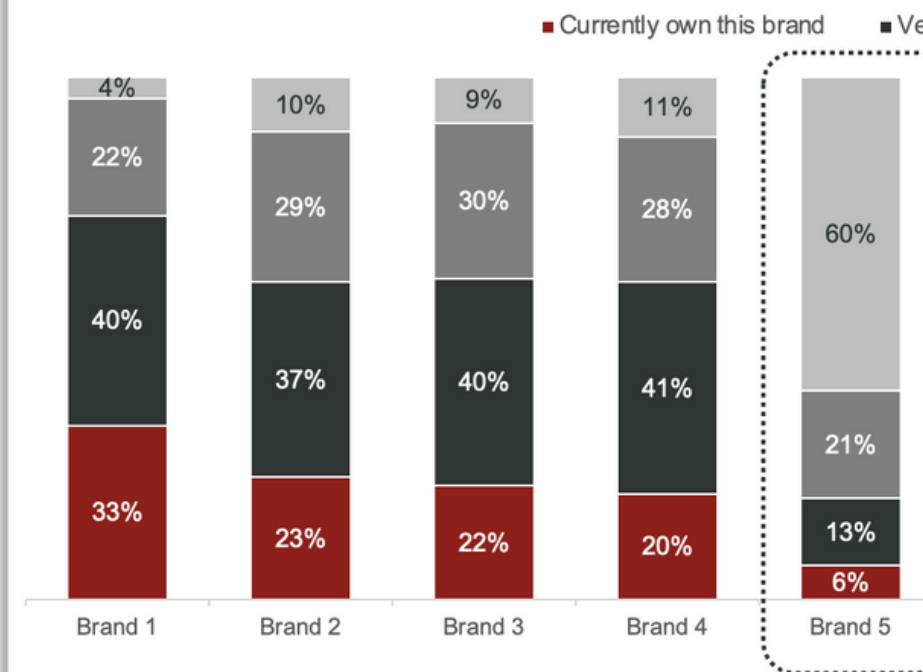
In figure 4, it's apparent how Brand 5 would have the impression of having similar ownership levels as Brands 2, 3, and 4 without implementation of advanced data cleaning. Further, Brand 5's ownership would have been overstated by 300%.

If the data on these two slides had been presented to the client, they would have been falsely informed about their true standing against competitor brands in the category. These skewed perceptions of market share would have had negative consequences on corporate strategy and demand forecasting across the entire category.

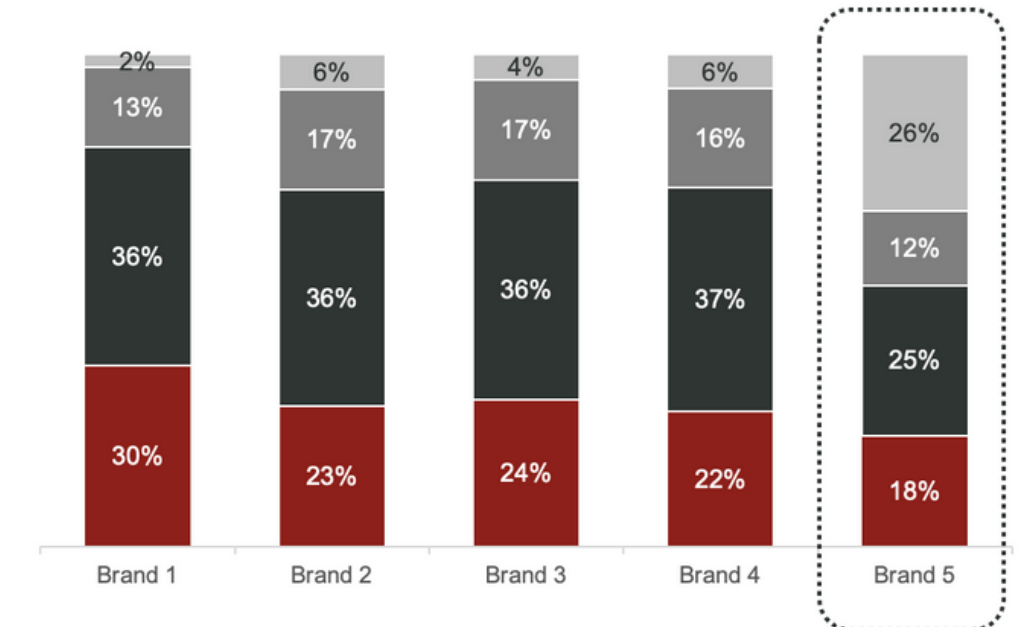
The clean data, and thus knowing the true brand share of competitors of bidet seats among homeowners, illuminated market opportunities for growth for this client and the entire product category that this client could use to inform suppliers.

BATH FIXTURE BRAND FAMILIARITY (Aided)

Farnsworth Quality Standard



Traditional Quality Standards



Suffice it to say, more is not always better.



DATA CLEANSING PROCEDURES

ADVANCED DATA CLEANSING

Advanced techniques are deployed by The Farnsworth Group's trained market research experts with deep industry, category, and customer experience to detect irregularities and suspect respondents, thus reducing the sample being analyzed generally by 2-6x.

- ✓ **Manually reviewing the open-ended responses** to determine if they align with the question, known industry factors, the product category in question, and the respondent profile. If responses are suspect, all entries from that participant are scrubbed.
- ✓ **Running calculations on numeric values** provided by respondents to determine if they match prior responses and fall into ranges known to be true.
- ✓ **Reviewing similar questions within the survey to ensure responses are the same.**
- ✓ **Testing that the logic of a respondent is consistent** throughout the survey and in line with known industry factors.

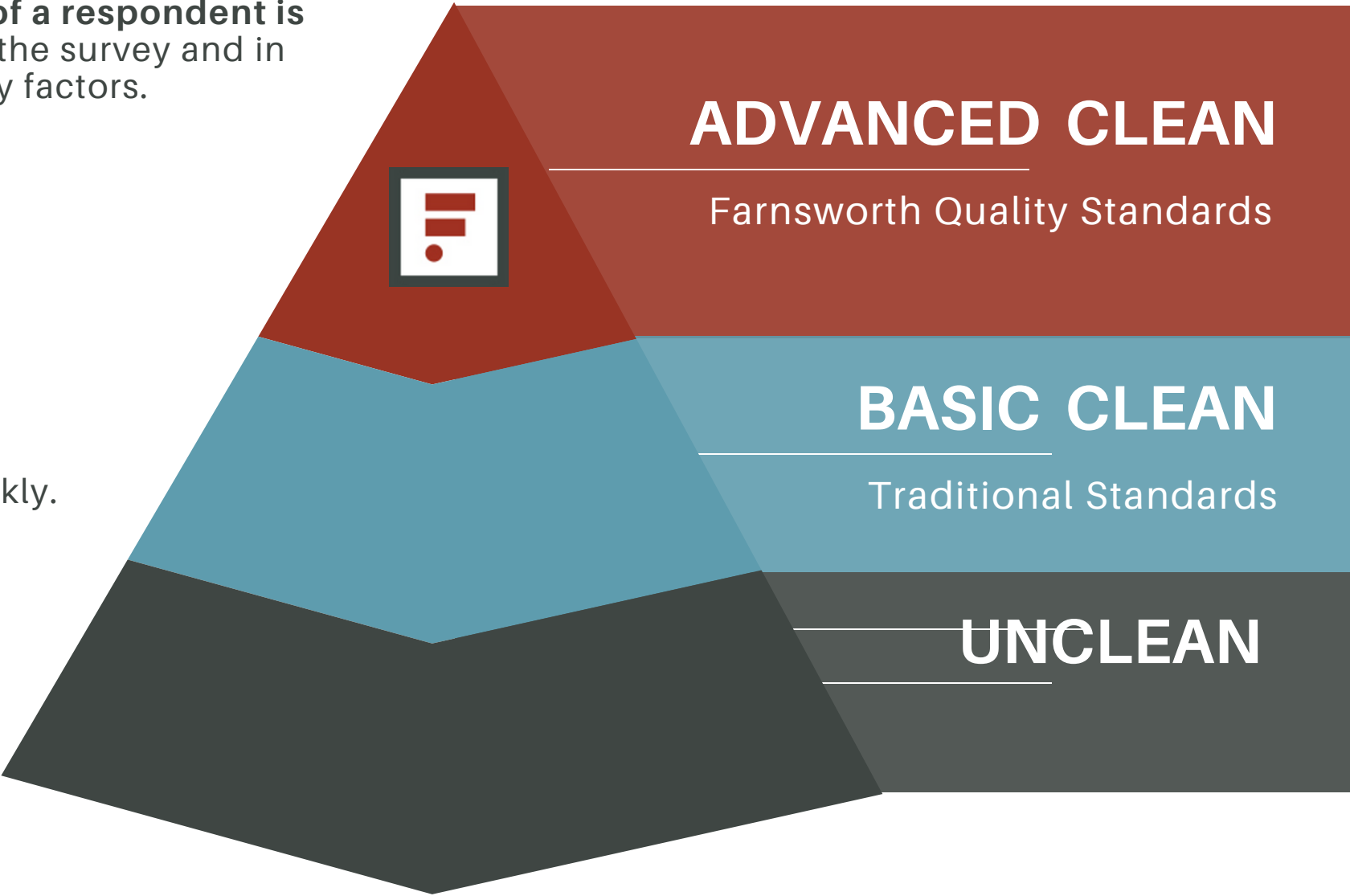
BASIC DATA CLEANSING

Basic techniques are considered the minimum practice by all researchers to reduce sample fraud using primarily automated and global tools and settings.

- ✓ **Cross checking the IP addresses** to find duplicates.
- ✓ **Checking for "speeders,"** which are respondents that completed the survey too quickly.
- ✓ **Checking for "straight-liners,"** which are respondents that select the same value to each attribute in a grid question, producing a straight line of answers.

UNCLEAN DATA

Unclean data would include no respondent vetting or sample fraud reduction methods, and would not be considered to hold any veracity.



DRIVE MARKET STRATEGY WITH CUSTOMIZED RESEARCH

Customer Behaviors & Attitudes

- Profile customers for effective targeting
- Quantify product usage to define market opportunity
- Prioritize selection criteria to know what you must deliver
- Learn where customers shop, when and why to identify marketing and sales opportunities throughout the path to purchase

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Product Development & Pricing

- Explore product uses and needs to establish viable concepts
- Validate concepts to increase adoption at launch
- Define price & feature combinations to win at point of sale
- Determine preferred messaging and packaging to attract buyers

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Brand Health & Performance

- Monitor brand performance to measure marketing success
- Capture brand perceptions to define market position
- Understand brand equity to improve category growth success
- Define brand usage to determine share opportunity

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Market Sizing & Structure

- Define total product sales volume to know market potential
- Define brand share to determine acquisition opportunity
- Define product distribution structure to inform channel strategy
- Define share by customer type to develop marketing and sales strategy

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