

Ethnographic Research: A Key to Strategy

by [Ken Anderson](#)

Corporate ethnography isn't just for innovation anymore. It's central to gaining a full understanding of your customers and the business itself. The ethnographic work at my company, Intel, and other firms now informs functions such as strategy and long-range planning.

Ethnography is the branch of anthropology that involves trying to understand how people live their lives. Unlike traditional market researchers, who ask specific, highly practical questions, anthropological researchers visit consumers in their homes or offices to observe and listen in a nondirected way. Our goal is to see people's behavior on their terms, not ours. While this observational method may appear inefficient, it enlightens us about the context in which customers would use a new product and the meaning that product might hold in their lives.

Ethnography at Intel initially focused on new markets. The company had provided products only for the workplace, but in 1995 managers wondered whether users at home would become a distinct market. Ethnographic research showed so much potential that Intel set up a business unit to concentrate on processors and platforms for home use.

Recently, Intel ethnographers have veered into strategic questions. Like many high-tech companies, Intel makes long-term bets on how markets will play out. Will television and PC technology converge? Are baby boomers retaining their PC and TV habits as they age, or are they comfortable shifting to new media? Will smartphones take over most of the functions of personal computers?

Intel can analyze the latest buying patterns and customer surveys for useful data. But people often can't articulate what they're looking for in products or services. By understanding how people live, researchers discover otherwise elusive trends that inform the company's future strategies. With smartphones, for example, we can contrast the technology perspectives of teenagers, who have used cell phones since they were in elementary school, with those of older generations, who came to them only after becoming proficient with PCs. Our job as anthropologists is to understand the perspective of one tribe, consumers, and communicate it to another, the people at Intel. Our experiences in both worlds make this translation possible. Ethnography has proved so valuable at Intel that the company now employs two dozen anthropologists and other trained ethnographers, probably the biggest such corporate staff in the world.

High-tech companies have to date employed the lion's share of corporate ethnographers. But I believe that ethnography is so beneficial that it will spread widely, helping firms in every industry truly understand customers and adapt to fast-changing markets.

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