

The News and Intelligence You Need on Luxury

COLUMNS

## How digital activity logging is changing customer research

May 5, 2015



Hilding Anderson is director of research and insights at SapientNitro

By A LUXURY DAILY COLUMNIST

By Hilding Anderson



Perhaps for the first time, researchers now have the ability to see digital device activity – smartphone, tablet and PC – at a millisecond-by-millisecond level, and then aggregate that data into patterns of days, weeks and months.

Our researchers are recruiting volunteers who will let us track and understand where and when their devices are being used to see the devices' activity inscribed on maps, charts and photographs.

These new tools are unlocking a world of knowledge about how people use technology at levels of resolution we have never had outside a few specialty research labs.

This has enabled researchers to explore major facets of consumers' lives – from financial management to communication habits to healthcare choices – by tracking what as well as when and where they actually do and not just what they say they do.

What are digital activity loggers (DALs) and why you should care? Quite simply, digital activity loggers are software tools that run in the background and record activity on a specific device.

DALs got their start as programs for individuals to measure and improve their own productivity on personal computers. Think FitBit for your computer. They have evolved to work on PCs, tablets or smartphones, and upload their data to servers in the cloud on an ongoing basis.

This approach has significant benefits for researchers.

While most traditional methods rely on the customer to tell us, DAL analysis tools allow us to focus directly on the traces of observable activities, avoiding participant recall errors and psychological bias.

Further, integrated DAL platforms continuously aggregate and reviews data, giving us the chance to look at months of behavioral data as context for the activity happening right now. This is data of significant scale – our initial community of users has more than 500 individuals logging data 24/7 for more than a year.

Applying DAL to develop an understanding of customer behavior We recently ran a study for a major hospitality chain, and we were able to show all the digital activities people perform prior to visiting their Web site including their mobile site, and how they relate to one another in time.

We then looked at the same analysis for post-client-site activity. This type of analysis allows us to identify triggers and opportunities for additional marketing investments. It allows us to document the customer journey through the purchase path.

A separate study examined smartphone-based banking.

We explored banking habits of millennial women. By monitoring smartphone activity, we determined that the average time per visit for millennial women on smartphones was much shorter than anticipated – just 26 seconds – helping shape the design of a next-generation application.

These types of analysis and findings allow us to pull the curtain back on actual activity in the digital realm.

Implications for future research

Digital activity logging data is being used to explore interactions with finances (e.g. activity related to taxes), health (e.g. New Year's resolutions and technology usage to achieve fitness goals), travel and transportation (booking engine usage times, travel research) and many other elements of life.

We are able to look across brands to identify patterns of interaction, behavior and activity.

IT IS AN exciting time to be in the research and insights business. We now have new tools that complement traditional surveys and focus groups.

Digital activity loggers allow much greater precision related to specific activities than some other methods.

Look for more brands and agencies to use these tools to better understand their customers – and to guide the next wave of breakthrough products.

Hilding Anderson is director of research and insights at SapientNitro, Washington. Reach him at handerson@sapient.com.

© Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your feedback is welcome.