

# Ethnographic Exploration of Values

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## Summary

Values being made explicit for an organization or values being clarified and negotiated among stakeholders may set the normative foundations to *reframe innovation activities* .... When not only value commitments of individuals but also normative orientations and values of customer segments or stakeholder groups are at stake, advanced methods such as scenario modelling and ethnographic inquiry apply.

Business anthropology, and its application of ethnographic methods, examine fundamental aspects in the life of their respondents from the respondent’s point of view. For instance, ethnographic inquiry for a sports shoe manufacturer would not start by asking respondents what they might expect from the next generation of running shoes, but it would try to understand the meaning of sports in their lives. Field research through participatory observation, in-context interviews, and multimedia documentation delivers rich empirical data. Individual findings are aggregated in preparation for iterative pattern recognition and interpretative insight analysis. Ethnographically generated insights usually explain a variety of phenomena and articulate a conflict or tension to be addressed through innovation.

## Ethnographic Exploration of Values (Chapter 7.4)

Values-based and normative innovation in most cases require, and in all cases will gain from, a deep understanding of the value commitments and normative orientations that are involved from the get go. Empirical inquiry into values breathes life into theoretical distinctions of values and substantiates their relevancy to real people. As Geertz (1973, 141) put it: “An approach to a theory of value which looks toward the behavior of actual people in actual societies living in terms of actual cultures for both its stimulus and its validation will ... not ... replace philosophical investigation, but ... make it relevant” (Geertz 1973, 141).<sup>1</sup>



*For a values-based view on innovation and its management, business anthropology and ethnographic methodology provide a privileged path to empirically explore and differentiate value-commitments of stakeholders, as well as explicit and implicit normative orientations within and across organizations.*

We briefly describe the research approach and specify it for an inquiry of values. Ethnographic inquiry has focused on either understanding issues of globalization, on cultural issues within organizations (formerly also called “industrial anthropology”), on issues of product and service design, or marketing and consumer research (Jordan, 2013; Mariampolski, 2005). The terms of business, organization or marketing anthropology accentuate the scientific claims within the broad discipline of anthropology,

while ethnography accentuates the documentary and interpretative practice in “writing culture” (Gottowik, 2007). Cultural anthropology and ethnography explore symbolic forms, the experiences, values, and layers of cultural meaning that are often not evident to its participants. However, of essential interest are always the self-contained interpretations of local actors and cultures.<sup>2</sup>

For business purposes, usually a relatively small number of participants is sufficient to obtain a dense description of cases and to identify reoccurring patterns among the stories of respondents. However, the participants need to be carefully selected to ensure that a variety of behaviours, needs, desires, and – particularly in our case – values is covered. Different methods including interviews but also technologically enhanced observation methods are applied to collect data in day-to-day environments. Interview techniques such as laddering, narrative interview techniques (Schütze, 1983), or semi-structured diaries for self-observation, but also meeting protocols (Breuer, 1998) or protocols of thinking aloud in the interaction with artefacts (such as normative statements) can be integrated into the setting. Researchers collect and analyse artefacts they find in these environments and document interview protocols, field notes, and photo and video recordings to obtain a rich repository for pattern analysis and interpretation. Attending the “natural environments” themselves, researchers draw from their own contextual knowledge to obtain profound and precise findings as well as an understanding of their researched participants. Therefore, it is characteristic for ethnographic researchers and consultants to not only conduct the field work, but also analyse and interpret findings. Findings are usually analysed by looking for commonalities and contrasts between stories, cases, and individual respondents. Within an insights synthesis session all profiles are analysed to extract unique findings, describe reoccurring patterns, and to formulate overarching insights. “Insights” in this sense combine three characteristics: 1) Insights address issues of overarching and major relevance for the respondents; 2) They communicate reason for observable action and are capable to explain a variety of patterns and findings within their domain (explanatory power); 3) They articulate a tension between conflicting parties or individual desire and values and adverse circumstances (see example on cloud storage below). If time and budget allow for it, the collection of findings, analysis, and interpretation are performed in an iterative fashion. Extensively using observation and interpretation research does not exclusively rely on self-reports of respondents, however, communicative validation can be used to refine and evaluate results. Madsbjerg and Rasmussen (2014) present recent cases of companies such as Intel, Adidas, LEGO (chapter 4.3), or Coloplast that successfully managed to shift their business or product strategy based on ethnographic insights, i.e. based on an advanced understanding of what matters to customers (see also chapters 2.3.2 and 4.5 on customer values).

Values have always been a major topic of interest in ethnography and in cultural and business anthropology, both as symbolic forms and in the broader sense as issues of relevance for a group of respondents. Like other forms of qualitative research on values, ethnography does not inquire “soft factors” among “hard facts”. Instead it aims to unveil the core of our activities in a values-based view by including what we engage in, care about and strive for within the “peripheral busy-ness” of everyday life. In values-based innovation projects, ethnographic research has been successfully applied to identify values, needs, and challenges of cultural groups (e.g. Breuer, Schwarz, Feller & Matsumoto 2014b) focussing on university students, and unpublished studies of automotive customers and telecommunication and online clients). Such research usually identifies unsolved problems, unmet needs, or values that existing solutions insufficiently address – as such it does not determine solutions.

### **Case of cloud storage and ethnography**

A normative turn in regulation created new innovation challenges for internet companies from the United States. In October 2015, the European Court of Justice declared the Safe-Harbour data transfer agreement between the EU and the US as invalid. For about 15 years, the European Commission's agreement had enabled companies to self-certify "adequate protection" of European user data on the "safe harbour" of US servers. With the termination of this agreement, worldwide operating internet companies had to learn that the change in regulation may have been just the tip of an iceberg, which in this case consists in customers' privacy-related values and increasing concern about the protection of their data. Some of these concerns are deeply rooted in the regional history and the difference between the emphasis on freedom and independence in the USA (and the privacy "right to be left alone") and the European emphasis on individual self-determination. However, the actual transformation of societal and customer values in Europe can be related to increased awareness after the Snowden revelations and data scandals on the one hand, and worldwide changing and growing data and ubiquitous computing infrastructures on the other.

We conducted ethnographic field interviews with cloud users in order to understand and unpack the different interpretations and specific concerns within the global customer values of privacy and data security. Synthesizing the observation of casual backup practices with sometimes dramatic expressions of fear of loss, we found several users treating some of their data as an extension of their selves – and fearing to lose control over that data more than, for instance, losing their wallet. We learned to differentiate between such highly valued data (such as digital photos, chat transcripts or resumes; Cushing, 2011) and less sensitive digital objects. New directions for innovation may be derived from such findings and insights. For instance, finding new and trustable ways to guarantee data integrity and privacy for highly valued data e.g. by means of advanced security, or enabling advanced collaboration features for data that are ready to be shared. A study of the World Economic Forum (2014, discussed in chapter 4.5.2) shows how qualitative exploration of customer values and comparative evaluation of the acceptance of different data handling scenarios can be used to delimit the design space for innovation in data services and even trigger innovation in identity management (see Ortlieb, 2011 for an ethnographic account of identity protection and confidentiality in online communication and interaction). Only ethnographic insight, which looks beyond rational answers of respondents into the observable contexts of their lives, seems to be capable of unpacking global notions of the desirable; here, this refers to the notion of privacy and understanding its relevance and differentiated meaning with respect to different types of data. New value propositions addressing such existential customer values set the headstone to create new markets.

Whereas ethnographic research projects typically combine a range of project-specific notions of interest (such as rituals, habits, loyalty, power structures and dynamics, needs, action strategies, problems or barriers), values and normative orientations and statements are at the center of interest in the context of innovation. Observers will not just look out for needs or wants, attitudes or preferences (see chapter 2). Instead, they will inquire about different notions of the desirable and what respondents care about, how they define and differentiate values and how they arrange their whole ordered systems of priorities. Respondents will stem from within an organization or a business ecosystem, represent customer segments or relevant stakeholder groups within notions of what is defined as a market. Several features of ethnographic inquiry may be adopted and specified to facilitate values-based grounding of innovation projects: reframing, interpretation, and insight.

- 1) *Reframing* as such is an initial step for business ethnographic research. Values-based reframing of innovation challenges can adopt ethnographic reframing of research questions, i.e. reframing questions from a stakeholder point of view to better grasp what is relevant in the respondents' own terms. For instance, Madsbjerg and Rasmussen (2014) went from the client question "How do we sell sports equipment?" to "What are sports?", and from "What toys do kids want?" to "What is the role of play?" Briody (2007), working at General Motors Company, went from "How to improve GM's effectiveness?" to "Which issues do workers face? How to make their work lives better?" In a similar fashion, we move from asking "What is the next big thing out there, what is the next great opportunity in our business domain?" to asking about the notions of the desirable that different stakeholders (customers, employees, and other stakeholders) pursue, or to the question "What matters most to them?" within or even beyond the domain of a particular business. "What is it we care about, and how can we go about it?"
- 2) When investigating value commitments held by a group of internal or external stakeholders, explicitly available statements (e.g. vision, mission, or values) are as expressive as implicit orientations. The latter can be interpreted when different claims and observations of interactions (including those with material artefacts) are taken together. Underneath the obvious conflicts of interest and diverging findings, reoccurring patterns may be found that indicate values-directed practices. *Interpretations* move back and forth between the obvious and the implicit motivations for normative orientations.<sup>3</sup> Ideally, it even reconstructs the trajectory that the present state instantiates and represents.
- 3) The *insight* not only describes the value but also its internal differentiation. For instance, in one study, we found that German users of cloud services expect privacy protection to be built into the system, while Finnish users also cared for privacy but considered it more of a personal responsibility to take appropriate privacy measures. Insights also try to capture tensions. Such tensions may be formalized as relations of desires, values, and circumstances, i.e. I want to do something because of some underlying values, but another party or an aversive circumstance does not allow me to. In the case of cloud storage such an insight would be that respondents appreciate easy storage and sharing because they want to collaborate efficiently but feel that their data is insufficiently secured against unauthorized access and potential abuse. Another insight could be that people want to actively protect their data because they care for their own privacy and the privacy of their relatives, but miss easy options to do so. The tension provides an initial heuristic and indication for values-based innovators where to turn.

How to improve a process, product or service? How to enhance the whole customer journey, how to position a brand? How to remodel the business to resonate with dominant changes in values? Business anthropology and ethnography may uncover values, but do not deliver new product or service ideas or even solutions to problems that are worth being addressed. Numerous creativity techniques, design thinking methods (e.g. Kumar, 2012), and frameworks for disruptive or user-driven innovation (e.g. Steinhoff & Breuer, 2011) are available to facilitate such ideation. For everything to fall into place, the application of these methods must be built on empirical evidence and an in depth understanding of relevant issues around an offering and the values of stakeholder groups.

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<sup>1</sup> The full quote (Geertz 1973, 141) is: “*An approach to a theory of value which looks toward the behavior of actual people in actual societies living in terms of actual cultures for both its stimulus and its validation will turn us away from abstract and rather scholastic arguments in which a limited number of classical positions are stated again and again with little that is new to recommend them, to a process of ever-increasing insight into both what values are and how they work. Once this enterprise in the scientific analysis of values is well launched, the philosophical discussions of ethics are likely to take on more point. The process is not that of replacing moral philosophy by descriptive ethics, but of providing moral philosophy with an empirical base and a conceptual framework which is somewhat advanced over that available to Aristotle, Spinoza, or G. E. Moore. The role of such a special science as anthropology in the analysis of values is not to replace philosophical investigation, but to make it relevant.*”

<sup>2</sup> “*One can start anywhere in a culture's repertoire of forms and end up anywhere else. One can stay ... within a single more or less bounded form, and circle steadily within it. One can move between forms in search of broader unities or informing contrasts. One can even compare forms from different cultures to define their character in reciprocal relief. But whatever the level at which one operates, and however intricately, the guiding principle is the same: societies, like lives, contain their own interpretations. One has only to learn how to gain access to them (Geertz 1973, 453).*”

<sup>3</sup> “*In order to avoid having to regard ideas, concepts, values, and expressive forms either as shadows cast by the organization of society upon the hard surfaces of history or as the soul of history whose progress is but a working out of their internal dialectic, it has proved necessary to regard them as independent but not self-sufficient forces - as acting and having their impact only within specific social contexts to which they adapt, by which they are stimulated, but upon which they have, to a greater or lesser degree, a determining influence” (Geertz 1973, 361).*”