Recall that the two general types of correlational study are surveys and observations. On the surface, this may appear as though the two general types are divided by whether or not the researcher interacts with the subjects, but that is not correct. Rather, the key difference is whether the subjects know that they are in a psychological study. When you do a survey, they know. When you use observation, they don't (or, at least, they are not supposed to know).

The fact that surveys vs observation is **not** based on interact-with-subjects vs just-watch-the-subjects becomes clear when you consider the two main types of observational study. Let's start with the type that is probably more familiar:

Naturalistic Observation – studying behavior in everyday environments without getting directly involved

This is the classic type of observation. You hide yourself in some way and watch what people (or other animals) do.

Now the other type:

Participant Observation – *studying behavior from within the target group*

This is when you "infiltrate" the target group and see what they're up to.

Note that the line between these two types of observation can become blurred – or, looked at differently, the line can be crossed in the middle of a project. Jane Goodale, for example, when studying the behavior of gorillas, started the project as a naturalistic observation. But, when it became clear that she could not conceal herself successfully (mostly because gorillas have a good sense of smell and Goodale did not bring a shower or bath-tub with her), she switch over to participant observation (although there is no evidence that she ate bugs picked off others, so let's just squash that idea right now).

Similar to the major decision that you must make when conducting an experiment – i.e., whether to use a within- or between-subjects design – there are factors that favor each of the two types of observation. Also similar to within- vs between-subjects, there are specific new issues that must be faced once the decision is made. For example, while it is important in both cases that the subjects not know that you are watching them and recording what they do, in the case of participant observation you must also make sure that your own behavior doesn't end up influencing the behavior of the subjects. In other words, while you always need to make sure that the subjects are not reacting (in the technical sense of reactivity), in the case of participant bias you must also be on guard against (the standard form of) experimenter bias.