

Chapter Three

Marketing 8TH EDITION Research

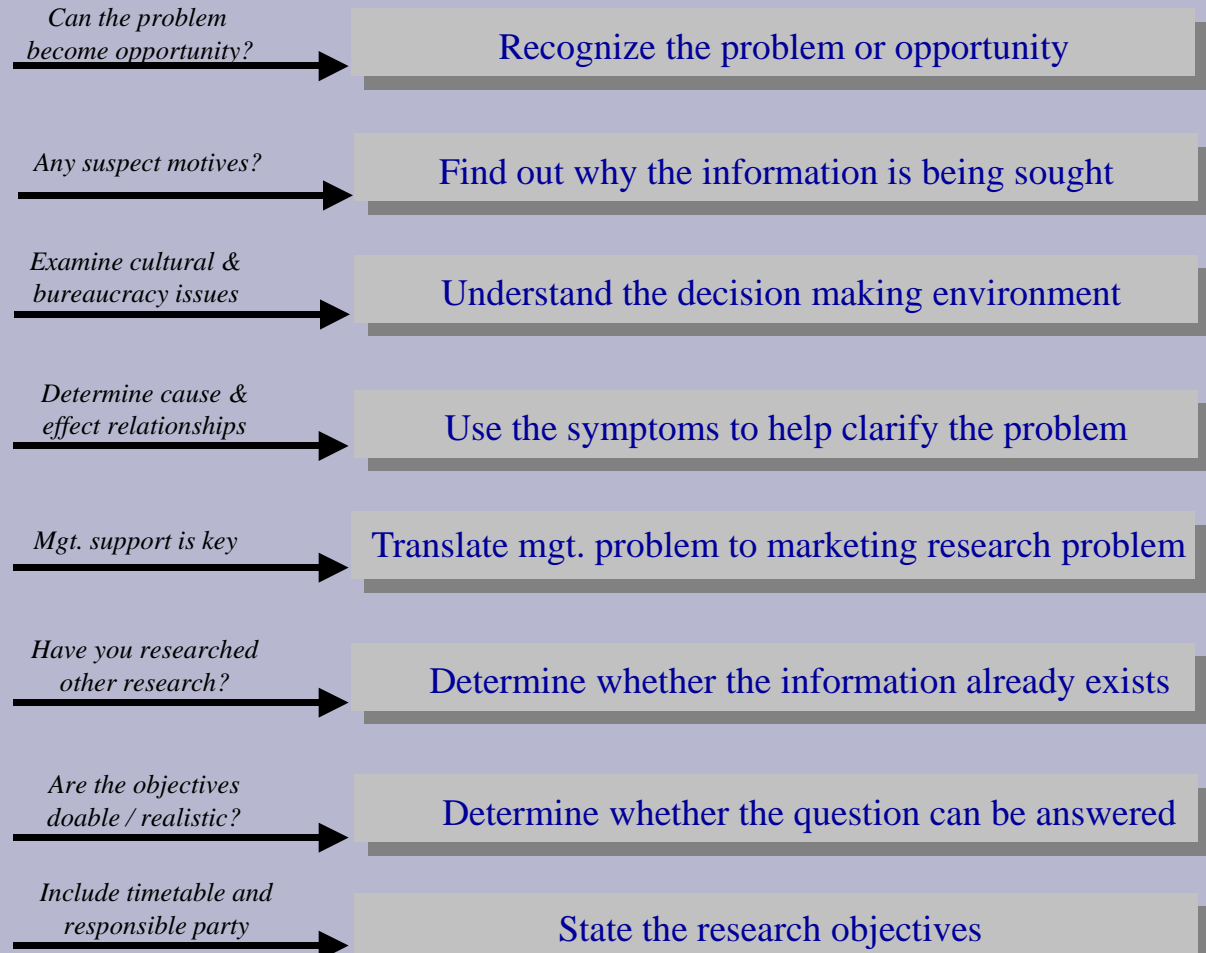
PROBLEM DEFINITION, EXPLORATORY RESEARCH, AND THE RESEARCH PROCESS

LEARNING OBJECTIVES

- | | | |
|---|----|---|
| → | 1. | To understand the problem definition process. |
| → | 2. | To learn the steps involved in the marketing research process. |
| → | 3. | To understand the components of the research request. |
| → | 4. | To learn the advantages and disadvantages of survey, observation, and experiment research techniques. |
| → | 5. | To become familiar with how the marketing research process is initiated. |

The Problem Definition Process

The Problem Definition Process Steps



Understand the Decision-Making Environment



The Decision-Making Environment

Exploratory Studies

Exploratory Studies Defined

Preliminary research conducted to increase understanding of a concept, to clarify the exact nature of the problem to be solved, or to identify important variables to be studied.



Purpose

- Define Terms
- Clarify Problems
- Develop Theories
- Establish Priorities
- Gain General Information



Key Methods

- Pilot Studies
- Focus Groups
- Case Analyses
- Secondary Data
- Concept Testing
- Depth Interviews
- Taste Tests
- Experience Surveys

From a Management Problem to a Marketing Research Problem

Making the Transition

• A statement specifying the type of information needed by the decision maker to help solve the management decision problem and how that information can be obtained efficiently and effectively.

• A goal statement defining the specific information needed to solve the marketing research problem.

**Management Problem
Becomes a Marketing
Research Problem:**

Marketing
Research
Problem

Marketing
Research
Objective

Management
Decision
Problem

• A statement specifying the type of managerial action required to solve the problem.

Research Hypothesis vs. Research Question

A Research Hypothesis:

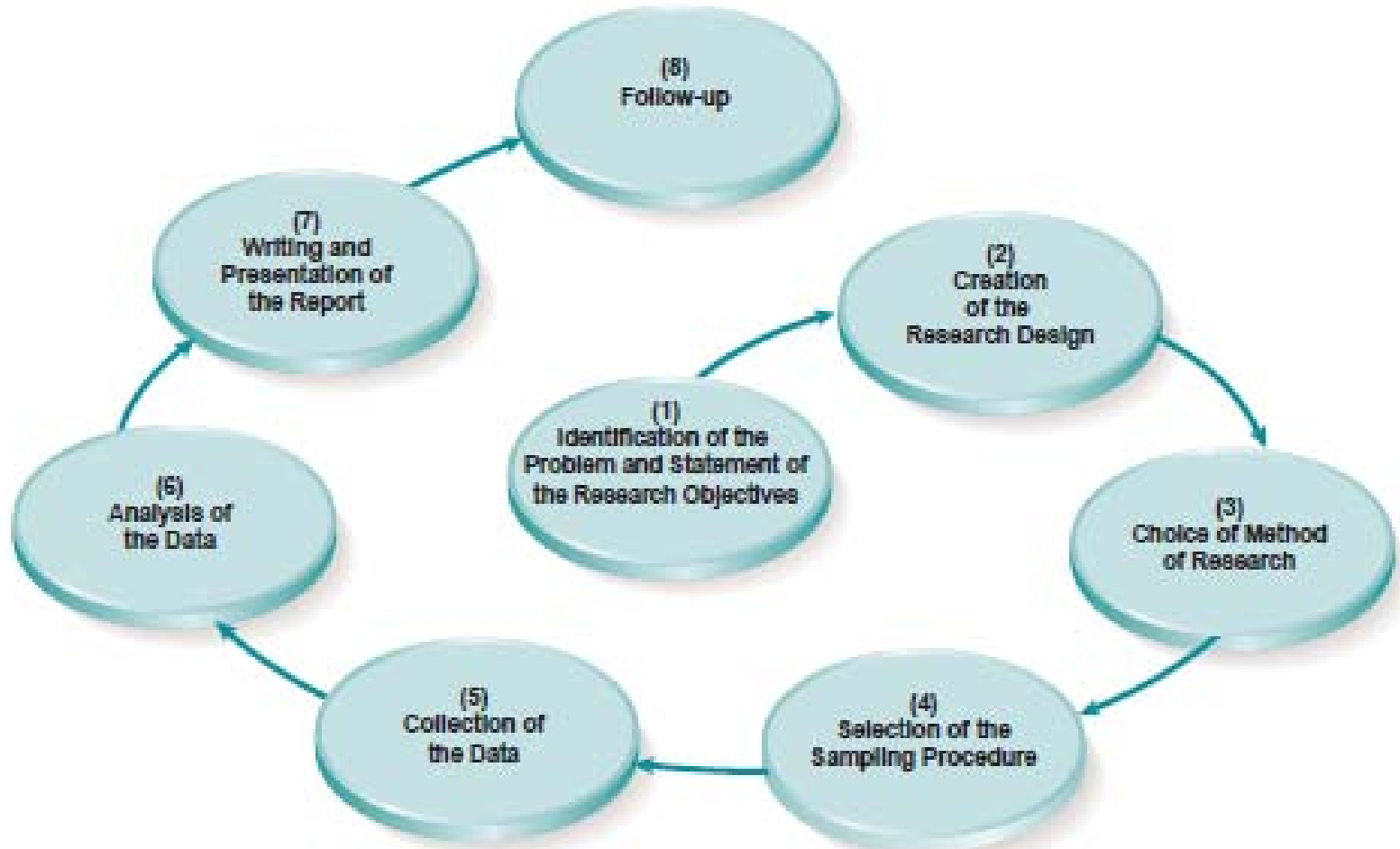
- A Conjectural statement about a relationship between two or more variables that can be tested with empirical data. A claim, or argument about your theory of what is causing “X” that you will research to prove or disprove:
 - *“Sales are declining because of competition”*

A Research Statement:

- A remark about what the researcher wants to learn – without making a claim about what might be causing the issue at hand.
 - *“We don’t know why sales are declining so let’s research the problem to find out.”*

The Marketing Research Process

An Overview



The Marketing Research Process



Marketing Research Design

- *“The plan to be followed to answer the marketing research objectives.”*
- *It is the detailed blueprint used to guide the research study towards its objectives including what and how you will conduct the research study.*



Descriptive Research Studies

Descriptive Studies Defined

Descriptive research studies answer the, who what, where, when and how questions. It is used when one wants to gain a better understanding of the specifics or details the research issue.

Purpose

- Confirm Theories
- Brand Loyalty Measure
- Describes Population
- Build Customer Profile
- Gain Specific Information



Key Methods

- Secondary Data
- Cross sectional Surveys
- Longitudinal Surveys
- Statistical Data Analysis

Descriptive Research Studies

Cross Sectional and Longitudinal Studies

Cross Sectional Surveys:

- *Are one time snapshots of population;*
- *Use the same survey & different sample.*

Longitudinal Surveys:

- *Identify market trends;*
- *Use the same survey & same sample;*
- *Use tracking panels & groups.*

Causal Research Studies

Causal Studies Defined

Research studies that examine whether the value of one variable causes or determines the value of another variable.

- Purpose**
- Confirm Theories
 - Identify Cause & Effect
 - Relationships Among Variables
- 

- Key Methods**
- Surveys
 - Experiments
 - Time Sequence
 - Secondary Data
 - Systematic Elimination

Causal Research Studies

Dependent Variable:

- A symbol or concept expected to be explained or influenced by the independent variable. One affects the dependent variable by manipulating the independent variable deemed to be associated with the dependent variable.

Independent Variable:

- A symbol or concept over which the research has some control and that is hypothesized to cause or influence the dependent variable.

Causal Research Studies

Key Requirements to Demonstrate Causation

Concomitant Variation:

- The degree to which a presumed cause and a presumed effect occur or vary together.

Temporal Sequence:

- An appropriate causal order of events.

Spurious Association:

- A relationship between a presumed cause and a presumed effect that occurs as a result of an unexamined variable or set of variables.

Choosing a Research Method

Observation Research:

- *Typically descriptive research that monitors respondents' actions without direct interaction.*

Survey Research:

- *Research in which an interviewer interacts (except in mail or Internet surveys) with respondents to obtain facts, opinions, and attitudes.*



Experiments:

- *Research to measure causality, in which the researcher changes one or more independent variables and observes the effect of the changes on the dependent.*

Other Qualitative Research:

- *Research such as focus groups, interviews, secondary analysis, and case studies.*

Data Collection

Two Key Approaches

Probability Sampling:

- A subset of the population that can be assumed to be a representative cross section of the population because every element in the population has a known non-zero chance of being selected.

Nonprobability Sampling:

- A subset of the population in which the chances of selection for the various elements in the population are not precisely known.

Analysis and Presentation

Data Analysis:

- Use a variety of quantitative and qualitative analytical techniques.

Presentation:

- Prepare a written and oral presentation to include the research objectives, methodology, key findings, limitations, acknowledgements, conclusion, and recommendations.

The Research Request

Its Key Components:

An internal document used by large organizations that describes a potential research project, its benefits to the organization, and estimated costs; it must be formally approved before a research project can begin.

It Includes:

- **Action** - Decision makers determine what action will result from the research
- **Origin** - Clarify/state the origin of the problem that necessitated the research
- **Information** - Decision maker should detail questions to be answered
- **Use** - How each piece of the research will be used should be detailed
- **Targeting** - Determine which groups will be targeted for the research
- **Logistics** - Determine how the research will be done - time & budget are key
- **Comments** - Additional information that is relevant to the project

The Request for Information

A call by a company, government, or organization asking for information on companies that might be able to provide specific services. This organization is doing its own marketing research by evaluating “what’s out there.” The organization might then tailor its RPF based on what it has learned.

It Includes:

- A request for certain core competencies or expertise from potential vendors
- Your response generally does not include your process - simply your capabilities
- An organization might want to see how many vendors can perform the work
- A certain expertise and technical level will be specified
- A call for the vendor to meet a certain contracting profile

The Request for Proposal (RFP)

A solicitation sent to marketing research suppliers inviting them to submit a formal proposal, including a bid.

It Includes:

- The background of the research problem or issue
- The goals and objectives of the hiring firm
- The methodology the firm wants you to follow - sometimes with your input
- The scope and timetable of the work to be performed
- The total project cost
- Instructions like the report format, whether they want you to present it, etc.

***A Research Proposal:** A document developed, usually in response to an RFP, that presents the research objectives, research design, time line, and cost of a project.*

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EXHIBIT 3.4 Benefits of a Good Proposal	
Client	Supplier
<p>Serves as a road map for the project</p> <ul style="list-style-type: none"> <input type="checkbox"/> specifies research methodology <input type="checkbox"/> specifies time line <input type="checkbox"/> specifies deliverables <input type="checkbox"/> specifies projected costs <input type="checkbox"/> allows for planning-team member involvement and resource allocation <p>Ensures that competing vendors carefully consider:</p> <ul style="list-style-type: none"> <input type="checkbox"/> project specifications <input type="checkbox"/> research design/methodology <input type="checkbox"/> project cost <p>Ensures that the selected vendor has an explicit understanding of business decisions the research will affect</p> <p>Prompts the client to consider unique capabilities that individual firms offer, which might contribute to project success</p>	<p>Serves as a road map for the project</p> <ul style="list-style-type: none"> <input type="checkbox"/> identifies specific responsibilities of the vendor <input type="checkbox"/> identifies the role the client has in fielding the research <input type="checkbox"/> allows for planning-team member involvement and resource allocation <p>Serves as a valuable tool for managing client expectations, especially when the client:</p> <ul style="list-style-type: none"> <input type="checkbox"/> contributes to delays or revises project timeline <input type="checkbox"/> mandates changes to project scope <input type="checkbox"/> requests additional or alternative deliverables <input type="checkbox"/> cancels the project <p>Provides an objective method for clients to examine vendor qualifications</p>

WRITING THE BRIEF AND PROPOSAL

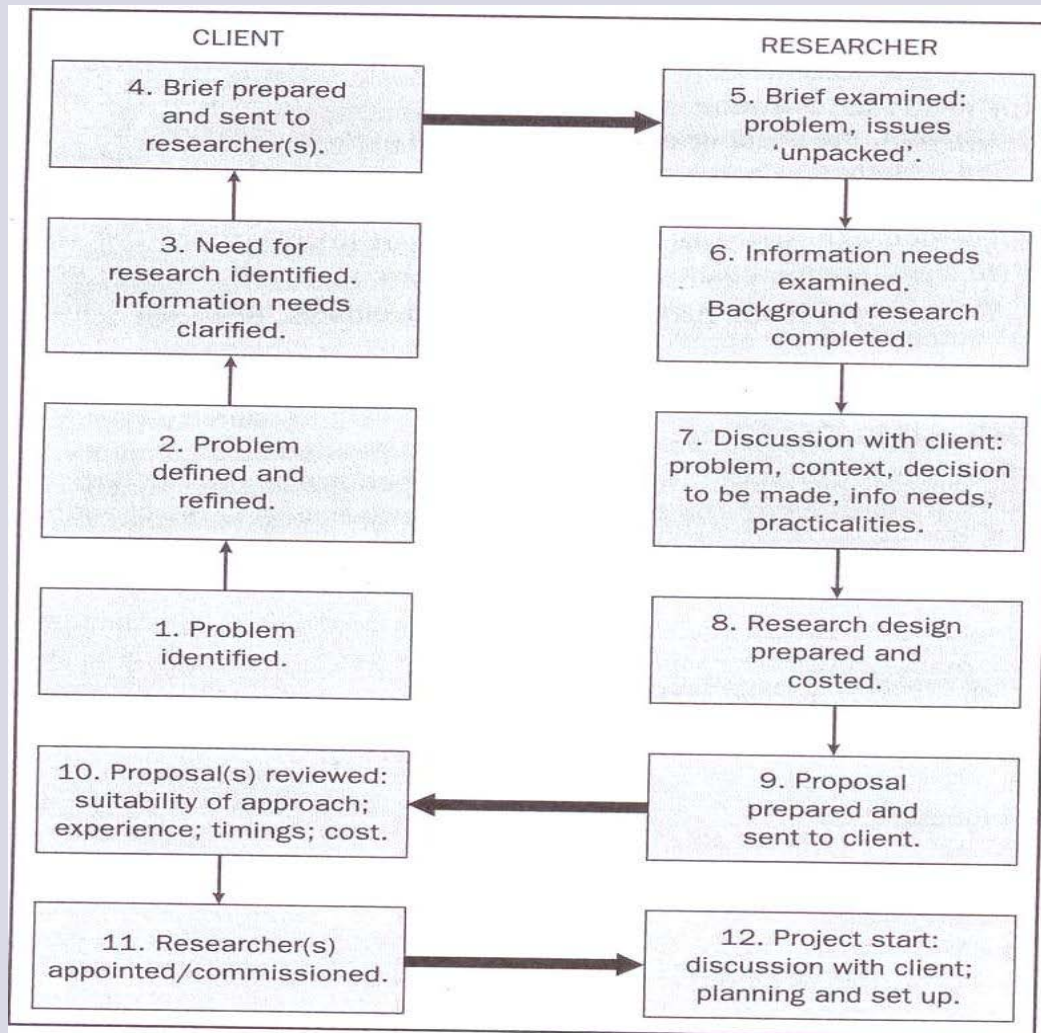


Figure 4.1 Overview of the research commissioning process

Key things to think about in preparing a brief

- What is the issue or problem?
- What decision is to be made?
- Will research help?
- What information is needed to help make an effective decision?
- What specific objectives must the research address?
- How much time and money is available for the research?

Contents of a research brief

- Title
- Definition of the problem
- Background of the problem
- Why research is necessary
- Statement of research objectives
- Use of information
- Research objectives
- Target population

Contents of a research brief (cont'd)

- Suggested approach
- Analysis required
- Outputs
- Liaison arrangements
- Timings
- Budget
- Form of proposal
- Selection criteria

Questioning a brief

- Is the problem clearly defined? What assumptions, if any, have been made?
- Why is the research needed?
- Is it clear what the information needs are?
- Do I have all the information I need to design effective research?
- Are there any gaps in my knowledge about the problem?
- Are there any gaps in my knowledge about what the research is required to provide?

Questioning a brief (cont'd)

- If a research approach is suggested, is it feasible?
Will it deliver what is needed?
- Are the research objectives clear and unambiguous?
- Are the research objectives relevant to the problem?
- Is it clear what the client expects from the research?
- Is it clear how the research will be used?
- Is the budget adequate?
- Is the time frame feasible?
- Are there any gaps in my knowledge about what the proposal should contain?

The contents of a research proposal

- ***Background to the problem***; show the client that you understand the nature and setting of the problem.
- ***Research objectives***; what the research will do and so should be relevant to the research problem.
- ***Approach to the research***; set out the research design and why this approach is the most suitable for collecting the evidence needed.
- ***Sampling***; state clearly the target population for the research.
- ***Method of data collection***; accompanied visits, group discussions, individual or paired depth interviews, or computer-aided methods...

The contents of a research proposal (cont'd)

- ***Data processing and analysis***; different techniques in qualitative and quantitative methods.
- ***Outputs***; make it clear what outputs you will provide, the format, the number of copies, the dates on which they will be provided.
- ***Timetable***; include a draft timetable or work schedule, highlighting key dates, especially those that are dependent on input from the client.
- ***Costs***; field and tab costs, cost per group or dept interview, field work costs (venue hire, refreshments, transport), and so on.

Key Terms & Definitions

- [Opportunity Identification](#)
- [Situation Analysis](#)
- [Exploratory Research](#)
- [Pilot Studies](#)
- [Experience Surveys](#)
- [Case Analysis](#)
- [Marketing Research Problem](#)
- [Marketing Research Objective](#)
- [Management Decision Problem](#)
- [Hypothesis](#)
- [The Marketing Research Process](#)
- [Research Design](#)
- [Descriptive Studies](#)
- [Cross-Section vs. Longitudinal](#)
- [Casual Studies](#)
- [Dependent Variable](#)
- [Independent Variable](#)
- [Temporal Sequence](#)
- [Concomitant Variation](#)
- [Spurious Association](#)
- [Survey Research](#)
- [Observation Research](#)
- [Experiments](#)
- [Probability Sample](#)
- [Nonprobability Sample](#)
- [Research Request](#)
- [Request for Proposal](#)
- [Research Proposal](#)

Links and [Key Terms & Definitions](#) *button are active when in “Slide Show Mode”*