

Marketing Research: From Data to Action

Chapter 1

Marketers need information.

Marketing research functions to:

- (1) Gather data, which is driven by a decision that we need to make
- (2) Transform data into useful info. that managers can use to make decisions
- (3) Carry out those decisions (usually done by marketers)

Date → Information → Action

-**Marketing Research:** the organization's formal communication link with the environment; gathering data to make a decision; links the customer to the marketer through information

-Information is used to: identify and define marketing problems, generate, refine, and evaluate marketing actions, monitor performance, improve understanding

-The big "unknown" is our market, not our understanding

Who does marketing research?

-Producers of products and services: research is conducted to develop and market products and services; can track customer satisfaction and customer usage patterns

-Advertising agencies: to create and measure the effectiveness of advertising campaigns; to better understand consumers and their interests and behaviors

-Marketing research companies: some companies specialize in marketing research; some may look at specific topics, some may be more general

Why study marketing research?

-Learn to be a smart consumer of research results

-Gain appreciation of the process

The Marketing Research Process

-**Research Process:** a general sequence of steps that can be followed when designing and conducting research

- (1) Define the marketing problem to be solved
- (2) Decide which research design is appropriate (this depends on how much is known about the problem... primary/secondary data)
- (3) Design the data collection forms to be used on the project
- (4) Develop and appropriate sample
- (5) Collect data
- (6) Analyze and interpret the data
- (7) Prepare the written research report that summarizes findings and conclusions

Marketing Research Ethics

-**Marketing Research Ethics:** the principles, values, and standards of conduct followed by marketing researchers

-The goal is to uncover the truth about a topic of interest

-**Advocacy Research:** research that is conducted to support a position rather than to find the truth about an issue; researchers may word questions in a way that they get the answer they are looking for; this is to be avoided

-**Sugging:** contacting people under the guise of marketing research when the goal is to sell the product/service

-Even when an action is legal, it isn't always ethical

The Research Question: Formulation of the Problem

Chapter 2

-Defining the problem/problem formulation means a process of trying to identify specific areas where additional information is needed

-Opportunities are when managers face a situation with potential positive results

-Think of these two (problems/opportunities) as two sides of the same coin

The Problem Formulation Process

(1) *Meet with client*: meet with the people in need of marketing research; this should be done early on in order to communicate openly and keep everyone engaged during the whole process; you also want to gather as much information as possible to gain clear understanding

-Planned vs. unplanned change

(2) *Clarify the Problem/Opportunity*: helping managers get precisely to the heart of the problem; ensure the root causes and clear paths of action are determined; preexisting assumptions must be challenged/discussed; why is the problem important

-**Normal Thinking**: a routine way of looking at a business situation; this is why researchers should provide a different perspective for the client

(3) *State the Manager's Decision Problem*: the basic problem facing the manager for which marketing research is intended to provide answers

-“Why am I not making any profit?” is an example of a **discovery-oriented decision problem**: these questions typically seek to answer what or why, basic information; this kind of research rarely solves a problem in the sense of providing actionable results; this type of research just yields insight to help make better decisions

-**Strategy-oriented decision problem**: aims more directly at making decisions; commonly used for planned change, with an emphasis on *how* the change should be implemented

(4) *Develop Possible Research Problems*: a restatement of the decision problem in research terms, from the researcher's perspective; specifically states what research can be done to provide answers to the decision problem

-Ex: Determine what sales levels are required to break even.

(5) *Select Research Problem(s) to be Addressed*: review each research problem in terms of the trade-off between the benefits of information to be obtained, the importance of decisions to follow, and the costs of obtaining that information

-It is better to assess one or two problems than to try to assess multiple problems and do a sub-par job

(6) *Prepare a Research Request Agreement*: summarizes the problem formulation process and includes—background, decision problem, research problem(s), use, population and subgroups, logistics

The Research Proposal

-**Research Proposal**: a written statement that describes the marketing problem, the purpose of the study, and a detailed outline of the research methodology

-**Request for proposal (RFP)**: a document that describes the problem for which research is sought and asks providers to offer proposals, including cost estimates about how they would perform a job; this is how many research proposals are written

Parts of the Research Proposal

-**Problem Definition and Background**: a short summary of information including the background, manager's decision problem, and specific research problems

-**Research Design and Data Sources**: type of research design and proposed sources of data (where to find the data), type of techniques to be employed

-**Sampling Plan**: description of the population to be studied, state the sample size, discuss the sampling method

-**Data Collection Forms**: forms to be used when gathering data, a questionnaire

-**Analysis**: statistical techniques to be performed

-**Time Schedule**: outline of the plan to complete the study, timeline

-**Personnel Requirements and Cost Estimate**: list of all personnel who will be required, indicating jobs, time duration, rate of pay, and each person's responsibility and authority

Exploratory, Descriptive, and Causal Research Designs Chapter 3

Types of Research Design

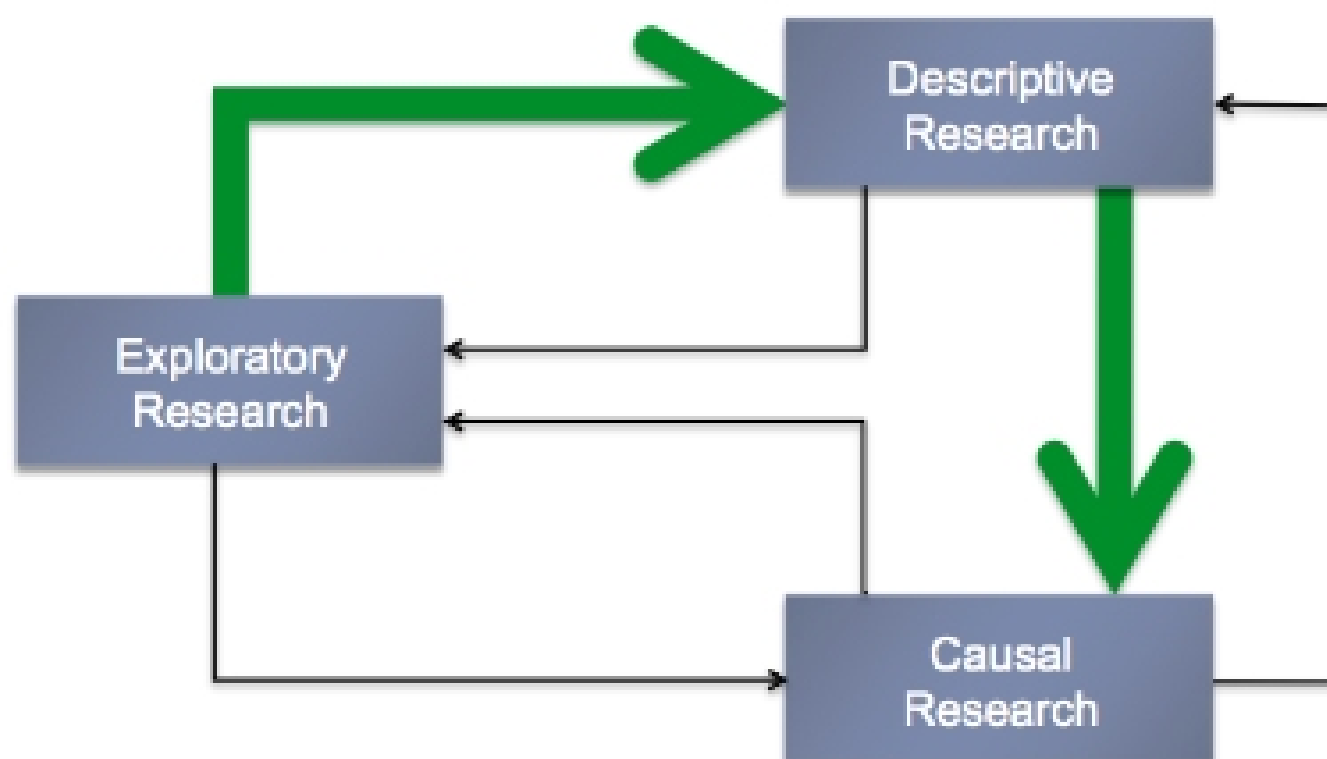
-**Exploratory Research**: discover ideas and insights; vague guidelines, not very specific

-**Descriptive Research**: describing a population or characteristics with respect to important variables; determine the proportion of people who behave in a certain way

-**Causal Research**: used to establish cause-and-effect relationships between variables; condition X causes event Y

-Almost all marketing research makes use of exploratory and descriptive research

The Classic Flow (Green Arrows)



Role of the Hypothesis

-**Hypothesis**: a statement that describes how two or more variables are related

-Varies in each of these kinds of research