

MKTG
Principles Of Marketing
Twelfth Edition



Chapter 9
Marketing Research

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Learning Outcomes (1 of 2)

- 9-1 Define marketing research and explain its importance to marketing decision making
- 9-2 Describe the steps involved in conducting a marketing research project
- 9-3 Discuss the profound impact of the Internet on marketing research
- 9-4 Describe the growing importance of mobile research

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Learning Outcomes (2 of 2)

- 9-5 Discuss the growing importance of scanner-based research
- 9-6 Explain when marketing research should be conducted
- 9-7 Explain the concept of competitive intelligence

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Learning Objective 1: The Role Of Marketing Research

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Marketing Research

- Process of planning, collecting, and analyzing data relevant to a marketing decision
- Links the consumer, customer, and public to the marketer through information
- Provides data on the effectiveness of a marketing mix and insights for necessary changes.
 - It is the main data source for management information systems.



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Role of Marketing Research (1 of 2)

- Descriptive
 - Gathering and presenting factual statements
 - What is the historic sales trend in the industry? What are consumers' attitudes toward a product?
- Diagnostic
 - Explaining data
 - What was the impact on sales after a change in the package design?



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Role of Marketing Research (2 of 2)

- Predictive
 - Addressing "what if" questions
 - "What if" questions, such as how can descriptive and diagnostic research be used to predict the results of a planned marketing decision?



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Management Uses of Marketing Research

- Improves the quality of decision making
- Helps managers trace problems
- Helps managers understand detailed and complicated relationships
- Helps managers serve customers accurately and efficiently



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Understanding the Ever- Changing Marketplace (1 of 2)

- Marketing research helps managers understand what is going on in the marketplace and take advantage of opportunities.
- One of the hottest trends in technology today is the Internet of Things (IoT).
- By 2019, 69 percent plan to have at least one IoT device, such as a thermostat or security system.



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Understanding the Ever- Changing Marketplace (2 of 2)

- Men are more likely than women to plan to purchase an in-home IoT device by 2019 (70 percent compared to 67 percent).
- Younger consumers are most likely to adopt connected technologies later on, while older consumers are slightly more likely to already own certain products



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Learning Objective 2: Steps in a Marketing Research Project



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Components of a Marketing Research Project

- Marketing research problem**
 - Determines what information is needed and how it can be obtained efficiently and effectively
- Marketing research objective**
 - Defines the specific information needed to solve a marketing research problem
- Management decision problem**
 - Broad-based problem that uses marketing research in order for managers to take proper actions



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Exhibit 9.1 The Marketing Research Process



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Secondary Data

- A data previously collected for any purpose other than the one at hand.
- Secondary information originating within the company includes the company's websites, annual reports, reports to stockholders, blogs, product testing results perhaps made available to the news media, YouTube videos, social media posts, and house periodicals composed by the company's personnel for communication to employees, customers, or others.

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Sources of Secondary Data

- Internal corporate information
- Government agencies
- Trade and industry associations
- Business periodicals
- News media

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Advantages and Disadvantages of Secondary Data

- **Advantages**
 - Save time and money
 - Aid in formulating the problem statement
 - Suggest research methods and data to solve problems
 - Pinpoint the kinds of people to approach
 - Serve as a basis of comparison for other data
- **Disadvantages**
 - May not give adequate detailed information
 - Quality and accuracy of data may pose a problem

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The Growing Importance of Social Media Data

- Facebook owns and controls data collected from 2 billion daily users and 79 billion monthly active users.
- In an effort to expand its information databases even further, Facebook now combines its social data with third-party information from data brokerages like Acxiom, Datalogix, and Alliance Data Systems.
- New Facebook tool allows advertisers to calculate their *return on investment*.
- Facebook has also begun using the like and share buttons embedded in non-Facebook websites to track peoples' browsing histories, so it can more accurately and narrowly target ads.



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The Incredible World of Big Data

- Exponential growth in the volume, variety, and velocity of information
 - Development of complex, new tools to analyze and create meaning from such data
- Gathered both online and offline
- Data visualization uncovers subtle patterns from billions of pieces of data
 - Enables managers to share and explain their findings



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Planning the Research Design and Gathering Primary Data

- Research design** specifies:
 - Research questions that must be answered
 - How and when to gather data
 - The way to analyze data
- Project budget is finalized after the research design is approved.



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Primary Data

- Information collected for the first time
- Used for solving the particular problem under investigation
- Advantages :
 - Answers specific research questions
 - Data are current, and source of data is known
 - Secrecy can be maintained



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Exhibit 9.2 Characteristics of Traditional Forms of Survey Research (1 of 5)

Characteristic	In-Home Personal Interviews	Mall Intercept Interviews	Central-Location Telephone Interviews	Self-Administered and One-Time Mail Surveys	Mail Panel Surveys	Executive Interviews	Focus Groups
Cost	High	Moderate	Moderate	Low	Moderate	High	Low
Time span	Moderate	Moderate	Fast	Slow	Relatively slow	Moderate	Fast
Use of interviewer probes	Yes	Yes	Yes	No	Yes	Yes	Yes
Ability to show concepts to respondent	Yes (with written test)	Yes (with written test)	No	Yes	Yes	Yes	Yes
Management control over interviewer	Low	Moderate	High	N/A	N/A	Moderate	High
General data quality	High	Moderate	High to moderate	Moderate to low	Moderate	High	Moderate
Ability to collect large amounts of data	High	Moderate	Moderate to low	Low to moderate	Moderate	Moderate	Moderate
Ability to handle complex questionnaires	High	Moderate	High, if computer assisted	Low	Low	High	N/A



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Characteristics of Traditional Forms of Survey Research (2 of 5)

- A researcher either interacts with people or posts a questionnaire online to obtain facts, opinions, and attitudes.
- **In-home personal interviews:** Although in-home personal interviews often provide high-quality information, they tend to be very expensive because of the interviewers' travel time and mileage costs.



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Characteristics of Traditional Forms of Survey Research (3 of 5)

- **Mall intercept interviews:** The mall intercept interview is conducted in the common area of a shopping mall or in a market research office within the mall.
 - **Computer-assisted personal interviewing:** The researcher conducts in-person interviews, reads questions to the respondent off a computer screen, and directly keys the respondent's answers into the computer
 - **Computer-assisted self-interviewing:** A mall interviewer intercepts and directs willing respondents to nearby computers.



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Characteristics of Traditional Forms of Survey Research (4 of 5)

- **Telephone Interviews:** Telephone interviews cost less than personal interviews, but cost is rapidly increasing due to respondent refusals to participate. Most telephone interviewing is conducted from a specially designed phone room called a **central-location telephone (CLT) facility**.
- **Mail Surveys:** Mail surveys have several benefits: relatively low cost, elimination of interviewers and field supervisors, centralized control, and actual or promised anonymity for respondents. *Mail panels* offer an alternative to the one-shot mail survey.



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Characteristics of Traditional Forms of Survey Research (5 of 5)

- Executive Interviews:** An executive interview usually involves interviewing businesspeople at their offices concerning industrial products or services, a process that is very expensive.
- Focus Groups:** A focus group is a type of personal interviewing. Often recruited by random telephone screening, seven to ten people with certain desired characteristics form a focus group.



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Types of Questions

- Open-ended questions**
 - Encourage an answer phrased in the respondent's own words
- Closed-ended questions**
 - Ask the respondent to make a selection from a limited list of responses
- Scaled-response questions**
 - Closed-ended questions designed to measure the intensity of a respondent's answer



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Ways to Improve Clarity in an Interview

- State the survey's purpose at the beginning of the interview
- Avoid leading questions
- Avoid asking two questions in one



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Exhibit 9.3 Types Of Questions Found on Questionnaires for National Market Research

Open-Ended Questions	Closed-Ended Questions	Scaled-Response Question
Discontinuous		
1. What advertising, if any, do you often compare to shopping at a local retail outlet prior to buying?	1. Did you hear the Quaker product before serving it? _____	Now that you have used the tag line, would you buy the product? _____
2. Why do you have or or want to have your teeth professionally cleaned rather than having someone else in the household clean them?	2. No _____	(Circle one) _____
3. What is your favorite shade of the eye shadow that makes you like it the best?	3. The federal government doesn't care what people like me think. _____	3. Would probably buy it. _____
Memory Choice		
4. Do you think back to the last blouse or any kind that you bought? If so, do you like the description and would like for you to repeat it? _____	4. Would probably not buy it. _____	4. Would probably not buy it. _____
5. Do you like the smell of (West licorice or regular licorice)?	5. (West licorice or regular licorice)	5. Definitely would not buy it. _____
Multiple Choice		
6. To like you to think back to the last blouse or any kind that you bought. If so, do you like the description and would like for you to repeat it? _____	6. 1. Deep _____	6. Now that you have used the tag line, would you buy the product? _____
7. Do you like the smell of (West licorice or regular licorice)?	2. Casual _____	7. (Circle one) _____
8. Do you like the smell of (West licorice or regular licorice)?	3. Conducitance skin _____	8. 1. Never _____
9. Do you like the smell of (West licorice or regular licorice)?	4. Deodorant skin _____	9. 2. Once a week _____
10. Do you like the smell of (West licorice or regular licorice)?	5. Boots _____	10. 3. Twice a week _____
11. Do you like the smell of (West licorice or regular licorice)?	6. 4. Once a month _____	11. 4. Once a month _____
12. Do you like the smell of (West licorice or regular licorice)?	7. 5. Once a year _____	12. 5. Never _____
13. Do you like the smell of (West licorice or regular licorice)?	8. 6. Never _____	13. 6. Once a year _____
14. Do you like the smell of (West licorice or regular licorice)?	9. 7. Once a year _____	14. 7. Once a year _____
15. Do you like the smell of (West licorice or regular licorice)?	10. 8. Once a year _____	15. 8. Once a year _____
16. Do you like the smell of (West licorice or regular licorice)?	11. 9. Once a year _____	16. 9. Once a year _____
17. Do you like the smell of (West licorice or regular licorice)?	12. 10. Once a year _____	17. 10. Once a year _____
18. Do you like the smell of (West licorice or regular licorice)?	13. 11. Once a year _____	18. 11. Once a year _____
19. Do you like the smell of (West licorice or regular licorice)?	14. 12. Once a year _____	19. 12. Once a year _____
20. Do you like the smell of (West licorice or regular licorice)?	15. 13. Once a year _____	20. 13. Once a year _____
21. Do you like the smell of (West licorice or regular licorice)?	16. 14. Once a year _____	21. 14. Once a year _____
22. Do you like the smell of (West licorice or regular licorice)?	17. 15. Once a year _____	22. 15. Once a year _____
23. Do you like the smell of (West licorice or regular licorice)?	18. 16. Once a year _____	23. 16. Once a year _____
24. Do you like the smell of (West licorice or regular licorice)?	19. 17. Once a year _____	24. 17. Once a year _____
25. Do you like the smell of (West licorice or regular licorice)?	20. 18. Once a year _____	25. 18. Once a year _____
26. Do you like the smell of (West licorice or regular licorice)?	21. 19. Once a year _____	26. 19. Once a year _____
27. Do you like the smell of (West licorice or regular licorice)?	22. 20. Once a year _____	27. 20. Once a year _____
28. Do you like the smell of (West licorice or regular licorice)?	23. 21. Once a year _____	28. 21. Once a year _____
29. Do you like the smell of (West licorice or regular licorice)?	24. 22. Once a year _____	29. 22. Once a year _____
30. Do you like the smell of (West licorice or regular licorice)?	25. 23. Once a year _____	30. 23. Once a year _____
31. Do you like the smell of (West licorice or regular licorice)?	26. 24. Once a year _____	31. 24. Once a year _____
32. Do you like the smell of (West licorice or regular licorice)?	27. 25. Once a year _____	32. 25. Once a year _____
33. Do you like the smell of (West licorice or regular licorice)?	28. 26. Once a year _____	33. 26. Once a year _____
34. Do you like the smell of (West licorice or regular licorice)?	29. 27. Once a year _____	34. 27. Once a year _____
35. Do you like the smell of (West licorice or regular licorice)?	30. 28. Once a year _____	35. 28. Once a year _____
36. Do you like the smell of (West licorice or regular licorice)?	31. 29. Once a year _____	36. 29. Once a year _____
37. Do you like the smell of (West licorice or regular licorice)?	32. 30. Once a year _____	37. 30. Once a year _____
38. Do you like the smell of (West licorice or regular licorice)?	33. 31. Once a year _____	38. 31. Once a year _____
39. Do you like the smell of (West licorice or regular licorice)?	34. 32. Once a year _____	39. 32. Once a year _____
40. Do you like the smell of (West licorice or regular licorice)?	35. 33. Once a year _____	40. 33. Once a year _____
41. Do you like the smell of (West licorice or regular licorice)?	36. 34. Once a year _____	41. 34. Once a year _____
42. Do you like the smell of (West licorice or regular licorice)?	37. 35. Once a year _____	42. 35. Once a year _____
43. Do you like the smell of (West licorice or regular licorice)?	38. 36. Once a year _____	43. 36. Once a year _____
44. Do you like the smell of (West licorice or regular licorice)?	39. 37. Once a year _____	44. 37. Once a year _____
45. Do you like the smell of (West licorice or regular licorice)?	40. 38. Once a year _____	45. 38. Once a year _____
46. Do you like the smell of (West licorice or regular licorice)?	41. 39. Once a year _____	46. 39. Once a year _____
47. Do you like the smell of (West licorice or regular licorice)?	42. 40. Once a year _____	47. 40. Once a year _____
48. Do you like the smell of (West licorice or regular licorice)?	43. 41. Once a year _____	48. 41. Once a year _____
49. Do you like the smell of (West licorice or regular licorice)?	44. 42. Once a year _____	49. 42. Once a year _____
50. Do you like the smell of (West licorice or regular licorice)?	45. 43. Once a year _____	50. 43. Once a year _____
51. Do you like the smell of (West licorice or regular licorice)?	46. 44. Once a year _____	51. 44. Once a year _____
52. Do you like the smell of (West licorice or regular licorice)?	47. 45. Once a year _____	52. 45. Once a year _____
53. Do you like the smell of (West licorice or regular licorice)?	48. 46. Once a year _____	53. 46. Once a year _____
54. Do you like the smell of (West licorice or regular licorice)?	49. 47. Once a year _____	54. 47. Once a year _____
55. Do you like the smell of (West licorice or regular licorice)?	50. 48. Once a year _____	55. 48. Once a year _____
56. Do you like the smell of (West licorice or regular licorice)?	51. 49. Once a year _____	56. 49. Once a year _____
57. Do you like the smell of (West licorice or regular licorice)?	52. 50. Once a year _____	57. 50. Once a year _____
58. Do you like the smell of (West licorice or regular licorice)?	53. 51. Once a year _____	58. 51. Once a year _____
59. Do you like the smell of (West licorice or regular licorice)?	54. 52. Once a year _____	59. 52. Once a year _____
60. Do you like the smell of (West licorice or regular licorice)?	55. 53. Once a year _____	60. 53. Once a year _____
61. Do you like the smell of (West licorice or regular licorice)?	56. 54. Once a year _____	61. 54. Once a year _____
62. Do you like the smell of (West licorice or regular licorice)?	57. 55. Once a year _____	62. 55. Once a year _____
63. Do you like the smell of (West licorice or regular licorice)?	58. 56. Once a year _____	63. 56. Once a year _____
64. Do you like the smell of (West licorice or regular licorice)?	59. 57. Once a year _____	64. 57. Once a year _____
65. Do you like the smell of (West licorice or regular licorice)?	60. 58. Once a year _____	65. 58. Once a year _____
66. Do you like the smell of (West licorice or regular licorice)?	61. 59. Once a year _____	66. 59. Once a year _____
67. Do you like the smell of (West licorice or regular licorice)?	62. 60. Once a year _____	67. 60. Once a year _____
68. Do you like the smell of (West licorice or regular licorice)?	63. 61. Once a year _____	68. 61. Once a year _____
69. Do you like the smell of (West licorice or regular licorice)?	64. 62. Once a year _____	69. 62. Once a year _____
70. Do you like the smell of (West licorice or regular licorice)?	65. 63. Once a year _____	70. 63. Once a year _____
71. Do you like the smell of (West licorice or regular licorice)?	66. 64. Once a year _____	71. 64. Once a year _____
72. Do you like the smell of (West licorice or regular licorice)?	67. 65. Once a year _____	72. 65. Once a year _____
73. Do you like the smell of (West licorice or regular licorice)?	68. 66. Once a year _____	73. 66. Once a year _____
74. Do you like the smell of (West licorice or regular licorice)?	69. 67. Once a year _____	74. 67. Once a year _____
75. Do you like the smell of (West licorice or regular licorice)?	70. 68. Once a year _____	75. 68. Once a year _____
76. Do you like the smell of (West licorice or regular licorice)?	71. 69. Once a year _____	76. 69. Once a year _____
77. Do you like the smell of (West licorice or regular licorice)?	72. 70. Once a year _____	77. 70. Once a year _____
78. Do you like the smell of (West licorice or regular licorice)?	73. 71. Once a year _____	78. 71. Once a year _____
79. Do you like the smell of (West licorice or regular licorice)?	74. 72. Once a year _____	79. 72. Once a year _____
80. Do you like the smell of (West licorice or regular licorice)?	75. 73. Once a year _____	80. 73. Once a year _____
81. Do you like the smell of (West licorice or regular licorice)?	76. 74. Once a year _____	81. 74. Once a year _____
82. Do you like the smell of (West licorice or regular licorice)?	77. 75. Once a year _____	82. 75. Once a year _____
83. Do you like the smell of (West licorice or regular licorice)?	78. 76. Once a year _____	83. 76. Once a year _____
84. Do you like the smell of (West licorice or regular licorice)?	79. 77. Once a year _____	84. 77. Once a year _____
85. Do you like the smell of (West licorice or regular licorice)?	80. 78. Once a year _____	85. 78. Once a year _____
86. Do you like the smell of (West licorice or regular licorice)?	81. 79. Once a year _____	86. 79. Once a year _____
87. Do you like the smell of (West licorice or regular licorice)?	82. 80. Once a year _____	87. 80. Once a year _____
88. Do you like the smell of (West licorice or regular licorice)?	83. 81. Once a year _____	88. 81. Once a year _____
89. Do you like the smell of (West licorice or regular licorice)?	84. 82. Once a year _____	89. 82. Once a year _____
90. Do you like the smell of (West licorice or regular licorice)?	85. 83. Once a year _____	90. 83. Once a year _____
91. Do you like the smell of (West licorice or regular licorice)?	86. 84. Once a year _____	91. 84. Once a year _____
92. Do you like the smell of (West licorice or regular licorice)?	87. 85. Once a year _____	92. 85. Once a year _____
93. Do you like the smell of (West licorice or regular licorice)?	88. 86. Once a year _____	93. 86. Once a year _____
94. Do you like the smell of (West licorice or regular licorice)?	89. 87. Once a year _____	94. 87. Once a year _____
95. Do you like the smell of (West licorice or regular licorice)?	90. 88. Once a year _____	95. 88. Once a year _____
96. Do you like the smell of (West licorice or regular licorice)?	91. 89. Once a year _____	96. 89. Once a year _____
97. Do you like the smell of (West licorice or regular licorice)?	92. 90. Once a year _____	97. 90. Once a year _____
98. Do you like the smell of (West licorice or regular licorice)?	93. 91. Once a year _____	98. 91. Once a year _____
99. Do you like the smell of (West licorice or regular licorice)?	94. 92. Once a year _____	99. 92. Once a year _____
100. Do you like the smell of (West licorice or regular licorice)?	95. 93. Once a year _____	100. 93. Once a year _____
101. Do you like the smell of (West licorice or regular licorice)?	96. 94. Once a year _____	101. 94. Once a year _____
102. Do you like the smell of (West licorice or regular licorice)?	97. 95. Once a year _____	102. 95. Once a year _____
103. Do you like the smell of (West licorice or regular licorice)?	98. 96. Once a year _____	103. 96. Once a year _____
104. Do you like the smell of (West licorice or regular licorice)?	99. 97. Once a year _____	104. 97. Once a year _____
105. Do you like the smell of (West licorice or regular licorice)?	100. 98. Once a year _____	105. 98. Once a year _____
106. Do you like the smell of (West licorice or regular licorice)?	101. 99. Once a year _____	106. 99. Once a year _____
107. Do you like the smell of (West licorice or regular licorice)?	102. 100. Once a year _____	107. 100. Once a year _____
108. Do you like the smell of (West licorice or regular licorice)?	103. 101. Once a year _____	108. 101. Once a year _____
109. Do you like the smell of (West licorice or regular licorice)?	104. 102. Once a year _____	109. 102. Once a year _____
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112. Do you like the smell of (West licorice or regular licorice)?	107. 105. Once a year _____	112. 105. Once a year _____
113. Do you like the smell of (West licorice or regular licorice)?	108. 106. Once a year _____	113. 106. Once a year _____
114. Do you like the smell of (West licorice or regular licorice)?	109. 107. Once a year _____	114. 107. Once a year _____
115. Do you like the smell of (West licorice or regular licorice)?	110. 108. Once a year _____	115. 108. Once a year _____
116. Do you like the smell of (West licorice or regular licorice)?	111. 109. Once a year _____	116. 109. Once a year _____
117. Do you like the smell of (West licorice or regular licorice)?	112. 110. Once a year _____	117. 110. Once a year _____
118. Do you like the smell of (West licorice or regular licorice)?	113. 111. Once a year _____	118. 111. Once a year _____
119. Do you like the smell of (West licorice or regular licorice)?	114. 112. Once a year _____	119. 112. Once a year _____
120. Do you like the smell of (West licorice or regular licorice)?	115. 113. Once a year _____	120. 113. Once a year _____
121. Do you like the smell of (West licorice or regular licorice)?	116. 114. Once a year _____	121. 114. Once a year _____
122. Do you like the smell of (West licorice or regular licorice)?	117. 115. Once a year _____	122. 115. Once a year _____
123. Do you like the smell of (West licorice or regular licorice)?	118. 116. Once a year _____	123. 116. Once a year _____
124. Do you like the smell of (West licorice or regular licorice)?	119. 117. Once a year _____	124. 117. Once a year _____
125. Do you like the smell of (West licorice or regular licorice)?	120. 118. Once a year _____	125. 118. Once a year _____
126. Do you like the smell of (West licorice or regular licorice)?	121. 119. Once a year _____	126. 119. Once a year _____
127. Do you like the smell of (West licorice or regular licorice)?	122. 120. Once a year _____	127. 120. Once a year _____
128. Do you like the smell of (West licorice or regular licorice)?	123. 121. Once a year _____	128. 121. Once a year _____
129. Do you like the smell of (West licorice or regular licorice)?	124. 122. Once a year _____	129. 122. Once a year _____
130. Do you like the smell of (West licorice or regular licorice)?	125. 123. Once a year _____	130. 123. Once a year _____
131. Do you like the smell of (West licorice or regular licorice)?	126. 124. Once a year _____	131. 124. Once a year _____
132. Do you like the smell of (West licorice or regular licorice)?	127. 125. Once a year _____	132. 125. Once a year _____
133. Do you like the smell of (West licorice or regular licorice)?	128. 126. Once a year _____	133. 126. Once a year _____
134. Do you like the smell of (West licorice or regular licorice)?	129. 127. Once a year _____	134. 127. Once a year _____
135. Do you like the smell of (West licorice or regular licorice)?	130. 128. Once a year _____	135. 128. Once a year _____
136. Do you like the smell of (West licorice or regular licorice)?	131. 129. Once a year _____	136. 129. Once a year _____
137. Do you like the smell of (West licorice or regular licorice)?	132. 130. Once a year _____	137. 130. Once a year _____
138. Do you like the smell of (West licorice or regular licorice)?	133. 131. Once a year _____	138. 131. Once a year _____
139. Do you like the smell of (West licorice or regular licorice)?	134. 132. Once a year _____	139. 132. Once a year _____
140. Do you like the smell of (West licorice or regular licorice)?	135. 133. Once a year _____	140. 133. Once a year _____
141. Do you like the smell of (West licorice or regular licorice)?	136. 134. Once a year _____	141. 134. Once a year _____
142. Do you like the smell of (West licorice or regular licorice)?	137. 135. Once a year _____	142. 135. Once a year _____
143. Do you like the smell of (West licorice or regular licorice)?	138. 136. Once a year _____	143. 136. Once a year _____
144. Do you like the smell of (West licorice or regular licorice)?	139. 137. Once a year _____	144. 137. Once a year _____
145. Do you like the smell of (West licorice or regular licorice)?	140. 138. Once a year _____	145. 138. Once a year _____
146. Do you like the smell of (West licorice or regular licorice)?	141. 139. Once a year _____	146. 139. Once a year _____
147. Do you like the smell of (West licorice or regular licorice)?	142. 140. Once a year _____	147. 140. Once a year _____
148. Do you like the smell of (West licorice or regular licorice)?	143. 141. Once a year _____	148. 141. Once a year _____
149. Do you like the smell of (West licorice or regular licorice)?	144. 142. Once a year _____	149. 142. Once a year _____
150. Do you like the smell of (West licorice or regular licorice)?	145. 143. Once a year _____	150. 143. Once a year _____
151. Do you like the smell of (West licorice or regular licorice)?	146. 144. Once a year _____	151. 144. Once a year _____
152. Do you like the smell of (West licorice or regular licorice)?	147. 145. Once a year _____	152. 145. Once a year _____
153. Do you like the smell of (West licorice or regular licorice)?	148. 146. Once a year _____	153. 146. Once a year _____
154. Do you like the smell of (West licorice or regular licorice)?	149. 147. Once a year _____	154. 147. Once a year _____
155. Do you like the smell of (West licorice or regular licorice)?	150. 148. Once a year _____	155. 148. Once a year _____
156. Do you like the smell of (West licorice or regular licorice)?	151. 149. Once a year _____	156. 149. Once a year _____
157. Do you like the smell of (West licorice or regular licorice)?	152. 150. Once a year _____	157. 150. Once a year _____
158. Do you like the smell of (West licorice or regular licorice)?	153. 151. Once a year _____	158. 151. Once a year _____
159. Do you like the smell of (West licorice or regular licorice)?	154. 152. Once a year _____	159. 152. Once a year _____
160. Do you like the smell of (West licorice or regular licorice)?	155. 153. Once a year _____	160. 153. Once a year _____
161. Do you like the smell of (West licorice or regular licorice)?	156. 154. Once a year _____	161. 154. Once a year _____
162. Do you like the smell of (West licorice or regular licorice)?	157. 155. Once a year _____	162. 155. Once a year _____
163. Do you like the smell of (West licorice or regular licorice)?	158. 156. Once	

Observation Research

- **Observation research** is the systematic process of recording the behavioral patterns of people, objects, and occurrences without questioning them.
- Relies on:
 - People watching people
 - People watching an activity
 - Machines watching people
 - Machines watching an activity
- A market researcher using the observation technique witnesses and records information as events occur or compiles evidence from records of past events.



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Exhibit 9.4 Observational Situations

Situation	Example
People watching people	Observers stationed in supermarkets watch consumers select frozen Mexican dinners; the purpose is to see how much comparison shopping people do at the point of purchase.
People watching an activity	An observer stationed at an intersection counts traffic moving in various directions.
Machines watching People	Movie or videotape cameras record behavior as in the people watching people example above.
Machines watching an activity	Traffic-counting machines monitor traffic flow.



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Forms of People-Watching-People Research

- **One-way mirror** allows the researchers to see the participants, but the participants cannot see the researchers.
- **Mystery shoppers** are researchers posing as customers who gather observational data about a store.
- **Behavioral targeting (BT)** combines a consumer's online activity with psychographic and demographic profiles compiled in databases.



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Ethnographic Research

- **Ethnographic research** comes from the field of anthropology and is becoming popular in commercial marketing research.
- It is study of human behavior in its natural context.
- It involves observation of behavior and physical setting.
- Ethnographers directly observe the population they are studying to gain richer insights into the culture and behavior of people.



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Virtual Shopping

- Advances in computer technology have enabled researchers to simulate an actual retail store environment on a computer screen.
- Depending on the type of simulation, a shopper can “pick up” a package by touching its image on the monitor and rotate it to examine all sides
- Virtual shopping, which can speed product development time and lower costs, is always welcomed by manufacturers.



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Experiments

- Used by researchers to gather primary data
- One or more variables are altered, and the effects of the alterations are observed on another variable



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Specifying the Sampling Procedures

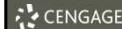
- A **sample** is a subset from a larger population.
- First, the population, or **universe**, of interest must be defined.
- **Probability Sample** is a sample in which every element in the population has a known statistical likelihood of being selected.
- One type of probability sample is a **random sample**—a sample arranged in such a way that every element of the population has an equal chance of being selected as part of the sample.
- **Nonprobability Sample** is any sample in which little or no attempt is made to get a representative cross section of the population.



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Exhibit 9.5 Types of Samples

Probability Samples	
Simple Random Sample	Every member of the population has a known and equal chance of selection.
Stratified Sample	The population is divided into mutually exclusive groups (such as gender or age); then random samples are drawn from each group.
Cluster Sample	The population is divided into mutually exclusive groups (such as geographic areas); then a random sample of clusters is selected. The researcher then collects data from all the elements in the selected clusters or from a probability sample of elements within each selected cluster.
Systematic Sample	A list of the population is obtained—e.g., all persons with a checking account at XYZ Bank—and a skip interval is obtained by dividing the sample size by the population size. If the sample size is 100 and the bank has 1,000 customers, then the skip interval is 10. The beginning number is randomly chosen within the skip interval. If the beginning number is 8, then the skip pattern would be 8, 18, 28, ...
Nonprobability Samples	
Convenience Sample	The researcher selects the easiest population members from which to obtain information.
Judgment Sample	The researcher's selection criteria are based on personal judgment that the elements (persons) chosen will likely give accurate information.
Quota Sample	The researcher finds a prescribed number of people in several categories—e.g., owners of large dogs versus owners of small dogs. Respondents are not selected on probability sampling criteria.
Snowball Sample	Additional respondents are selected on the basis of referrals from the initial respondents. This method is used when a desired type of respondent is hard to find—e.g., persons who have taken round-the-world cruises in the last three years. This technique employs the old adage “Birds of a feather flock together.”



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Types of Errors

- **Measurement error**
 - Occurs when there is a difference between the information desired and the information provided
- **Sampling error**
 - Occurs when a sample does not represent the target population
- **Frame error**
 - Occurs when a sample drawn from a population differs from the target population
- **Random error**
 - Occurs when the selected sample is an imperfect representation of the overall population

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Collecting the Data

- Some primary data are collected by marketing research **field service firms**.
- A typical marketing research study involves data collection in several cities, which may require the marketer to work with a comparable number of field service firms.
- **Field service firms** specialize in interviewing respondents on a subcontracted basis.
 - They also provide focus group facilities, mall intercept locations, test product stores, and kitchen facilities to prepare test food products.

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Analyzing the Data

- Data are organized using techniques such as one-way frequency counts, cross-tabulations, and sophisticated statistical analysis.
 - One-way frequency tables record the responses to a question and provide a general picture of the study's results.
 - A **cross-tabulation** helps the analyst look at the associations between certain responses, such as the association between gender and product choice.

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Exhibit 9.6 Popcorn Cross-Tabulation

The chart displays the percentage of purchases for six popcorn brands, categorized by gender. The Y-axis represents 'Purchase by gender' and the X-axis represents 'Brand'. The legend indicates that blue bars represent 'Male' and purple bars represent 'Female'.

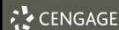
Brand	Male (%)	Female (%)
Orville Redenbacher	31%	48%
TV Time	12%	6%
Pop Rite	38%	4%
Act Two	7%	23%
Weight Watchers	4%	18%
Other	8%	0%

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10

Preparing and Presenting the Report and Follow Up

- Researchers are required to present written and oral reports.
- Contents of a report:
 - Concise statement of the research objectives
 - Brief explanation of research design
 - Summary of major findings
 - Conclusion with recommendations
- Follow up:
 - Researcher should determine why management did or did not carry out the recommendations.



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Learning Objective 3: The Profound Impact of the Internet on Marketing Research



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Impact of the Internet

- Most American marketing research companies conduct some form of online research
- Online survey research has replaced computer-assisted telephone interviewing as the most popular mode of data collection
 - Internet data collection is rated as having the greatest potential for further growth.



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Advantages of Internet Surveys

- Rapid development
- Reduced costs
- Personalized questions and data
- Improved respondent participation
- Contact with the hard-to-reach



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Uses of the Internet by Marketing Researchers

- Administer surveys
- Conduct focus groups
- Other types of marketing research



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Methods of Conducting Online Surveys

- Web survey systems
 - Designed for web questionnaire construction and delivery
- Google consumer surveys
 - Do-it-yourself web surveys
- Online panel providers
 - Pre-recruit people who agree to participate in online surveys



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Online Focus Groups: Advantages

- Better participation rates: Online focus groups are conducted over the course of days. Therefore, participants are less likely to pull out.
- Cost-effectiveness: Face-to-face groups incur costs for facility rental, airfare, hotel, food, etc.
- Broad geographic scope: Time is flexible online. This provides a worldwide respondent pool.
- Accessibility: Online focus groups provide access to participants who might otherwise be difficult to recruit.



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Online Research Communities

- Web communities
 - Selected group of consumers who agree to participate in an ongoing dialogue with a particular corporation
- Benefits
 - Provide cost-effective, flexible research
 - Helps companies create customer-focused organizations and achieves customer-derived innovations
 - Establishes brand advocates
 - Offers real-time results



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Learning Objective 4: The Growing Importance of Mobile Research



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Mobile Research

- Mobile surveys account for 30 percent of interview responses.
- It is designed to fit into brief cracks of time
- New and better apps make the survey experience easier and more intuitive.



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Learning Objective 5: Scanner-Based Research



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Scanner-Based Research

- System for gathering information from a single group of respondents
 - Involves continuous monitoring of advertising, promotion, and pricing respondents are exposed to
- Companies are using neuromarketing to study consumers reactions to package designs and ads
 - **Neuromarketing:** Studies the body's responses to marketing stimuli



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Learning Objective 6: When Should Marketing Research Be Conducted?



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When Should Marketing Research Be Conducted?

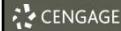
- Depends on managers' perceptions of its quality, price, and timing
- When the expected value of research information exceeds the cost of generating the information



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Customer Relationship Management (1 of 3)

- CRM is described as a closed-looped system that builds relationships with customers. Exhibit 9.7 illustrates this continuous and circular system with no defined starting or end point.
 - The CRM cycle is initiated by identifying customer relationships within the organization.
 - Next, the company must understand the interaction each customer has with the company by building on the initial information collected and developing a useful database.



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Customer Relationship Management (2 of 3)

- Based on the knowledge of the customer and his/her interactions with the company, the company can then acquire and capture all relevant information about the customer.
- Technology plays a critical part in a CRM system. Technology is used to store and integrate customer data.



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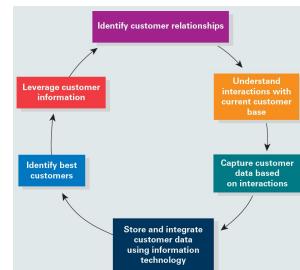
Customer Relationship Management (3 of 3)

- Not all customers are equally important to a business. Consequently, the company must use data mining to determine its profitable and unprofitable customer segments.
- Once the customer data are analyzed, they are leveraged. Data are transformed into information and disseminated throughout the organization—to the right person in the right place at the right time.



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Exhibit 9.7 A Simple Flow Model of the Customer Relationship Management System



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Learning Objective 7: Competitive Intelligence



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Competitive intelligence

- Competitive intelligence helps managers assess their competition and vendors in order to become more efficient and effective competitors.
 - It can help identify the advantage and play a major role in determining how it is achieved.



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Sources of Competitive Intelligence

- Internet
- Company salespeople
- Industry experts
- CI consultants
- Government agencies
- UCC filings
- Suppliers
- Periodicals
- Yellow Pages
- Industry Trade shows



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Key Terms (1 of 4)

- Marketing research
- Marketing research problem
- Marketing research objective
- Management decision problem
- Secondary data
- Big data
- Research design
- Primary data
- Survey research



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Key Terms (2 of 4)

- Mail intercept interview
- Computer-assisted personal interviewing
- Computer-assisted self interviewing
- Central-location telephone (CLT) facility
- Executive interview
- Focus group
- Open-ended question
- Close-ended question
- Scaled-response question



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Key Terms (3 of 4)

- Observation research
- Mystery shoppers
- Behavioral targeting (BT)
- Social media monitoring
- Ethnographic research
- Experiment
- Sample
- Universe
- Probability sample
- Random sample



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Key Terms (4 of 4)

- Nonprobability sample
- Convenience sample
- Measurement error
- Sampling error
- Frame error
- Random error
- Field service firm
- Cross-tabulation
- Scanner-based research
- InfoScan
- Neuromarketing
- Competitive intelligence (CI)



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