

Bellboy case research methods in marketing essay sample

[Business](#), [Marketing](#)



The survey objective is set to measure the customer's interest of a new service known as BELLBOY. SWB would like to acquire both existing (customers who have the intention to buy) and potential (customers who have interest but are still reluctant to purchase) demand. SWB believes that existing and potential demands constitute unmet demand. SWB went with the telephone survey, which is a descriptive research method, to gauge the interest of the BELLBOY service. This method was used due since all businesses in the Dallas/Fort Worth area had telephones in their offices, thereby clearly defining their sampling frame. All samples were selected using the probability sampling method. A primary listing was selected by systematic sampling and sub-sample listing was selected by simple random sampling. The calculation of the sample size resulted in 384 samples. After the adjusted sample size was implanted, the new result was 382 samples from a population of 74, 789 that needed to be surveyed. (Exhibit A)

The survey, however, excluded some market segments, such as personal households and government agencies, who could also be potential customers. By excluding these segments, the survey results would understate the true demand for this service. Also, the samples excluded existing Southwestern Bell telephone numbers, therefore, the survey results excluded potential demand, which implies an understatement of demand.

The survey method employed in order to get in contact directly with the key person of the target business is appropriate because this person would be most knowledgeable regarding the communication of the company. For a non-response bias, this would tend to understate the demand since many

local business are run by the business owners themselves, who are in charge of the purchasing of equipment and services.

These key persons will be busy tending to business matters and meetings, therefore, won't be available for telephone interviews. This, as a result, will understate the demand of potential customers of the BELLBOY service. Non-respondents who could not be reached by SWB had a high probability of being a potential customer of the BELLBOY service because they fit the target group's specifications. These non-respondents were, therefore, not included in the study so then the true demand was understated. The survey period was conducted during the summer periods between July to August, which is considered a down time for many businesses in the United States. The survey results might be understated because of this seasonal effect since many business owners may be away on holiday. BELLBOY CASE MKTG D50 Report Group 6

Questionnaire

As the questionnaire was conducted in the form of a telephone interview, SWB interviewers who are administering the survey can employ a degree of flexibility and adaptability in the manner of the questions. The survey callers may be able to guide respondents through questions that respondents may not understand. Thus, with clarity in explaining a relatively new concept, respondents would be able to fully understand how the BELLBOY service works and would thus be able to fully make a decision on whether or not they would be interested in the service. The questionnaire's format allowed SWB to screen out many uninterested respondents early on in the survey. By

doing this, SWB were then able to transition into more complex classification questions. Only those customers that continued on in the survey after the initial screening questions could be classified as 'unmet demand' and the survey results won't be overstated due to the questionnaire sequence. However, telephone interviews are generally constricted to a certain time frame, usually about 15 minutes.

The longer a phone survey continues, the more people will 'drop out' in the middle of the interview and not fully answer all the questions. SWB's questionnaire was designed with this in mind, and hence questions were designed to receive a specific response in a relatively short time period. With these generally specific questions, many participants could underestimate the broad scope of what SWB is trying to gauge, and could thus opt out of the survey before fully understanding the product and thus decreasing demand. Various choices of words employed in the survey possess some ambiguity, and that may cause respondents to not understand the question and not seem interested. For example, the word 'familiar' in question 2 and 'reasonable' 'monthly rate' in question 3 don't mean the same thing amongst respondents. For question 2, interval scale could've been utilized to gauge level of familiarity, and for question 3, price factors may steer customers away from being interested.

Analysis and Conclusion

The survey administered by Peters Marketing Research for the purpose of measuring customers' interest in BELLBOY would tend to understate the true

unmet demand for the service due to the sample and questionnaire design. This will be discussed in details as follows. The sampling frame includes only businesses that already have a telephone number with the Southwestern Bell Telephone Company (SWB). It excludes businesses that currently use other companies' services or no services at all. The omission of these organizations would tend to understate true demand as they may be interested in using the BELLBOY service as well. It was found that the types of businesses that would be most interested in the BELLBOY service are those where employees are consistently away from the office or where a key employee would need to be contacted. This includes the BELLBOY CASE MKTG D50 Report Group service, retailing, construction and professional industry.

Therefore, to draw a sample systematically from businesses in all industries listed with the SWB may over-represent the industries for which BELLBOY services are not found useful. A larger portion of the sample should be drawn from the relevant industries mentioned above, and extrapolated for their sizes. A telephone survey, as a method of gauging the interest of consumers in a new and unfamiliar product or service, would tend to understate their true demand because of the limited amount of information that can be conveyed through it.

- Time limit - The survey is conducted with personnel in charge of the organization's communication needs during work hours. This personnel would have limited time to listen and respond to the surveyor.
- Negative perception of telemarketers - Telemarketers tend to be viewed negatively by most respondents.

There may be a bias on the part of respondents to also view the product or service at question negatively. This also limits the amount of product or service information the telemarketer can convey to the respondent.

- Exit option – At the commencement of the survey, the respondent has the option to conclude the survey if they were disinterested in the BELLBOY service, even though only a brief description of the service would have been given at that stage. This may not be sufficient for respondents to fully comprehend the nature of the service and benefits to be gained. Without an understanding of the service, respondents cannot truly determine whether they need it and what the reasonable rates for it should be, which may result in disinterest.

As demonstrated in Table 2, approximately 147 companies unfamiliar with the BELLBOY service responded that they were not interested in it. Should other types of contact be possible, such as personal sales contact, these respondents may be more able and receptive to gaining an understanding of the product and actually consider its potential benefits to the organisation's operations. Other factors that may also result in the true demand being understated, previously mentioned in this section are:

- The timing of the survey – the survey was conducted during a low season in the United States, when many business owners and key personnel tended to be away.
- Non-response bias – many of the selected sampling units could not be reached.

These units could be potential customers for the service.

- Incomplete population – the sample taken only included businesses in the private sector. Public sector entities such as government organisations may also have use

for the BELLBOY service. For the aforementioned reasons concerning sampling frame, sample selection and questionnaire administration, the true unmet demand for the BELLBOY system would tend to be understated by SWB's survey. Therefore, in assessing customers' demand for BELLBOY, the sample should be redesigned to include a greater proportion of the relevant population and the BELLBOY CASE MKTG D50 Report Group 6

Questionnaire administration method should allow more quantity and depth of information to be conveyed to respondents. Page A Fone & FWS

Research Design

The first striking thing when we look at the survey is that the objective is not satisfactory. The research is aimed at proving that there is an unmet demand for a product like Bellboy, but there is no specification of what an actual threshold could be. At what point will they make the decision that it is unmet or not? Secondly, even before starting the questionnaire and interviews, we feel that there is a tremendous lack of secondary data, which is essential to first see how is the competition doing and what is Bellboy competitive advantage, but also what is the actual consumer base and is there first signs of a potential untapped market. Researching ideas and insights on who are the users and the non-users and their perceptions of the product is essential to build a relevant and trustworthy questionnaire. The sample frame is also highly arguable.

First SWB is the one choosing the list of companies, which might be called, so we have to question the objectivity of the list. SWB may call mainly companies that are already familiar with Bellboy and may be more eager to

use its new product. It would be more trustworthy if the sampling was made by an independent organization. o The systematic sampling is also debatable. They should make the difference in the sampling between companies that use a similar product and companies that don't (by choice or ignorance). o A better way to lead the sampling would be to let the research institute conduct it, have them get a list of companies through the city and use a stratified sampling method according to business type for instance. This way, they will address all kind of businesses and jobs (salespersons, managers...) and no one will suspect an overstated demand. Stratified sampling is a method more representative of the whole population and free of bias. Questionnaire

In general, the questionnaire is too complex to answer for random people that don't particularly know the device and also too broad, meaning that it doesn't give much info in the end. First in the presentation of the device, there are really little info given on the attributes and the uses of the product. For people that don't know about a similar product it might be hard to get the point and for people that already know a similar product it doesn't really explain how different it is from the existent products. BELLBOY CASE MKTG D50 Report Group 6

One of the first questions that should be ask is: do they already know about such a product? Did they already use something similar? Do they use the competition's product? What do they think? Is it good or not, what would they change? And then it would be a good moment to explain what are the special features and the perks of the Bellboy product. The second point is

that they directly assert the fact that the product would be affordable before even knowing if the concept in itself could be interesting. The wording of the question is also confusing sometimes and may lead to an interpretation of the response toward a positive attitude even when it might not be the case.

- o The table 1 is supposed to result from the question 3, giving the “ yes”, “ maybe” and “ no” responses while the question only offers a yes/no answer.

The way they interpret the “ maybe” is quite obscure.

- o Question 5 is not well formulated. Asking a communication representative about how many jobs could use the device may be an impossible task especially in middle or big companies. The question should list different categories of jobs to be chosen and ranked by importance.
- o Questions 7, 8, 9 assessing the different prices cannot give a good estimation. It is very hard for people from the communication department to estimate a number of people, depending on only a few dollars of difference... The estimate on the phone cannot be trusted at all. The whole revenue forecast is made on those questions, and it can only be very approximate given the way they ask the questions.

Data Analysis and Conclusion:

Beyond the research design and questionnaire, the Management summary is quite confusing. They estimate a $\frac{1}{4}$ of interested companies while the surveys only give a 15% as a low estimation and 19% as a high estimation, so 25% is a very roughly overrated figure. Also, the prices they are testing are said to be far from the price standards, so they are basing their demand forecast according to prices that may be inaccurate. Assessing the interest of the product according to the prices and not the functionalities and qualities

of the products diverts the real goal of the product and gives a distorted representation of the actual demand. Overall it feels like the all survey was build to enhance the potential demand without objectivity in the figures, by being vague in the sampling and interview techniques and by overseeing a lot of aspects like the competition, the features of the Bellboy product. BELLBOY CASE MKTG D50 Report Group 6